



## Second quarter 2019

### Profit on a par with the record quarter of last year

#### Second quarter 2019

- Net turnover amounted to SEK 7,426 M (8,329), a decrease of 11 per cent.
- Operational earnings amounted to SEK 306 M (299) and SEK 296 M excluding IFRS 16.
- Profit was positively affected by new record result for sales of used cars.
- Profit for the period amounted to SEK 203 M (216), SEK 210 M excluding IFRS 16, and earnings per share to SEK 2.05 (2.15).
- Operating cash flow amounted to SEK 339 M (497) and SEK 226 M excluding IFRS 16.

#### First six months

- Net turnover amounted to SEK 14,300 M (15,307), a decrease of 7 per cent.
- Operational earnings amounted to SEK 544 M (517) and SEK 523 M excluding IFRS 16.
- Profit for the period amounted to SEK 357 M (362), SEK 371 M excluding IFRS 16, and earnings per share to SEK 3.55 (3.60).
- Operating cash flow amounted to SEK 679 M (323) and SEK 438 M excluding IFRS 16.

#### Events after the balance sheet date

- No notable events have occurred after the end of the quarter.

| SEK M   | Second quarter |       | First six months |        | July 18 -<br>June 19 | Full year<br>2018 |
|---|----------------|-------|------------------|--------|----------------------|-------------------|
|   | 2019           | 2018  | 2019             | 2018   |                      |                   |
| <b>The Group</b>                                      |                |       |                  |        |                      |                   |
| Net turnover  | 7,426          | 8,329 | 14,300           | 15,307 | 27,375               | 28,382            |
| Operational earnings <sup>1)</sup>                    | 306            | 299   | 544              | 517    | 1,061                | 1,034             |
| Operational earnings, excluding IFRS 16 <sup>2)</sup> | 296            | 299   | 523              | 517    | 1,040                | 1,034             |
| Operational margin, %                                 | 4.1            | 3.6   | 3.8              | 3.4    | 3.9                  | 3.6               |
| Operating profit                                      | 280            | 274   | 491              | 470    | 964                  | 943               |
| Operating profit, excluding IFRS 16 <sup>2)</sup>     | 270            | 274   | 470              | 470    | 943                  | 943               |
| Operating margin, %                                   | 3.8            | 3.3   | 3.4              | 3.1    | 3.5                  | 3.3               |
| Profit before tax                                     | 251            | 270   | 443              | 458    | 907                  | 922               |
| Profit before tax, excluding IFRS 16 <sup>2)</sup>    | 261            | 270   | 461              | 458    | 925                  | 922               |
| Net profit for the period/year                        | 203            | 216   | 357              | 362    | 729                  | 734               |
| Earnings per share, SEK <sup>3)</sup>                 | 2.05           | 2.15  | 3.55             | 3.60   | 7.20                 | 7.25              |

<sup>1)</sup> For reconciliation of operational earnings with operating profit, see Note 3.

<sup>2)</sup> IFRS 16 Leases was introduced on 1 January 2019. Bilia has used a modified retroactive method, which means that figures for 2018 are not restated. Some items for 2019 have, however, been reported excluding IFRS 16 to enable comparison with 2018. See Note 1 and Definitions and performance measures.

<sup>3)</sup> The number of shares used in the calculation is shown in the Consolidated Statement of Income and Other Comprehensive Income.

## The Managing Director's comments

Record profits for used cars in the Car Business  
Higher order intake and order backlog in the Car Business  
Continued growth in the Service Business



### Profit for the second quarter on a par with last year

I am proud to see us delivering a result similar to last year's record quarter, despite considerably lower turnover. Last year was positively affected by changed tax regulations for new cars in both Sweden and Norway. Operational earnings for the Group excluding IFRS 16 amounted to SEK 296 M compared with SEK 299 M, and the operational margin was 4.0 per cent compared with 3.6 per cent last year. This is our second highest ever result in a single quarter.

Demand for used cars remained strong during the second quarter, and operational earnings excluding IFRS 16 amounted to SEK 57 M, which was a new record for a quarter and SEK 52 M higher than last year. Profit for the Car Business in the second quarter was however again negatively impacted by far fewer deliveries in sales of new cars. Pleasingly, the order intake was higher than last year, and the order backlog adjusted for acquired operations, was approximately 1,900 cars more than at the beginning of the year and nearly 3,100 cars more than last year.

### Continued growth for the Service Business and service subscriptions

Demand for service remained high and the Service Business reported growth of 2 per cent for the second quarter and 4 per cent for the first half-year, adjusted for comparable operations and working days. The high level of sales of new cars in recent years is positive for growth in our Service Business also in the future. The Service Business reported a profit excluding IFRS 16 that was SEK 2 M higher than last year despite there being one working day less in Sweden and Germany, and two less in Norway and Luxembourg than last year. The number of service subscriptions is continuing to grow. They make life easier for our customers at a favourable price and allow us to offer customers further services for their cars' needs. At the end of the second quarter we had around 110,000 customers with service subscriptions for new and used cars, an increase of 4.7 per cent since the beginning of the year.

### How does the selection of car contribute to a more sustainable society?

In all the countries where we operate we are seeing an increased focus on sustainability, along with related discussions about how we can adapt the way we use cars to contribute to a sustainable world. Several countries have introduced tax benefits for eco-friendly cars. In Norway there is an increase in electric, plug-in and hybrid cars, and in the first half of 2019 such cars accounted for 68 per cent of registrations. Interest in these cars has also risen in Sweden and Western Europe. When choosing a car from a sustainability perspective, the choice of fuel type is important, which is not easy today. Crucial is how you as customer uses your car, those who drive short distances and have access to charging facilities should ideally choose an electric, plug-in or hybrid car, while those who drive longer distances and do not have access to charging facilities would do better with a hybrid, petrol or diesel car. There are also future alternatives, such as fuel cells, which are increasingly coming into the limelight. By understanding our customers' needs, we suggest the best fuel type to suit each customer today – to contribute to a more sustainable society.

Per Avander, Managing Director and CEO

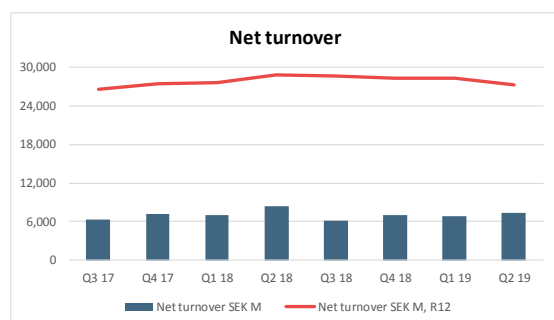
## Group results

### Net turnover and earnings

#### Second quarter 2019

**Net turnover** amounted to SEK 7,426 M (8,329). For comparable operations and adjusted for exchange rate fluctuations, net turnover decreased by approximately 14 per cent.

**Operating profit** amounted to SEK 280 M (274) and SEK 270 M excluding IFRS 16. **Operational earnings** amounted to SEK 306 M (299) and SEK 296 M excluding IFRS 16. The operational margin was 4.1 per cent (3.6) and 4.0 per cent excluding IFRS 16. The Service Business posted a profit slightly above last year's figure, despite there being one working day less in Sweden and Germany, and two less in Norway and Luxembourg than last year. Adjusted growth was 2 per cent in Sweden and Norway. The Car Business reported a profit somewhat lower than last year, and this was attributable to a 20 per cent underlying drop in deliveries in the sale of new cars. Sales of used cars, however, generated a substantially improved profit compared to last year of SEK 52 M, which was mainly attributable to a higher gross profit margin.



The Group's underlying overheads remained unchanged compared with last year. Overheads amounted to 13.2 per cent in relation to net turnover, which was 1.8 percentage points higher than last year. As a result of the profit level and customer satisfaction during the quarter, a provision of SEK 6 M (5) was made for employee bonuses in Sweden.

The operation in Sweden reported a profit of SEK 220 M (226) and SEK 214 M excluding IFRS 16. The margin amounted to 4.9 per cent (4.2) and 4.7 per cent excluding IFRS 16. Profit in the Norwegian operation amounted to SEK 80 M (71) and SEK 76 M excluding IFRS 16. The margin amounted to 4.5 per cent (3.4) and 4.2 per cent excluding IFRS 16. The operation in Western Europe reported a profit of SEK 25 M (20) and SEK 24 M excluding IFRS 16. The margin amounted to 2.2 per cent (2.2) and 2.2 per cent excluding IFRS 16. Operating loss for the Parent Company in the second quarter amounted to SEK -22 M (-22).

**Profit for the period** amounted to SEK 203 M (216) and SEK 210 M excluding IFRS 16. Earnings per share amounted to SEK 2.05 (2.15). Exchange rate fluctuations did not have a material impact on profit.

The **number of employees** increased by 98 during the second quarter and amounted to 4,948. Adjusted for acquired operations, the number of employees increased by 41.

## First six months 2019

**Net turnover** amounted to SEK 14,300 M (15,307). For comparable operations and adjusted for exchange rate fluctuations, net turnover decreased by approximately 10 per cent.

**Operating profit** amounted to SEK 491 M (470) and SEK 470 M excluding IFRS 16. **Operational earnings** amounted to SEK 544 M (517) and SEK 523 M excluding IFRS 16. The operational margin was 3.8 per cent (3.4) and 3.7 per cent excluding IFRS 16. The Service Business reported a profit that was higher than last year, mainly attributable to adjusted growth of just over 4 per cent in Sweden and Norway. The Car Business reported a lower profit than last year, attributable to a 16 per cent drop in underlying deliveries in the sale of new cars. Sales of used cars, however, generated a far higher profit than last year of SEK 94 M, which was attributable to a higher turnover and gross profit margin.

The Group's underlying overheads were on a par with last year. Overheads amounted to 13.4 per cent in relation to net turnover, which was 1.4 percentage points higher than last year. As a result of the profit level and customer satisfaction during the first six months, a provision of SEK 14 M (11) was made for employee bonuses in Sweden.

The operation in Sweden reported a profit of SEK 407 M (390) and SEK 395 M excluding IFRS 16. The margin amounted to 4.7 per cent (4.0) and 4.6 per cent excluding IFRS 16. Profit in the Norwegian operation amounted to SEK 140 M (131) and SEK 132 M excluding IFRS 16. The margin amounted to 4.0 per cent (3.3) and 3.8 per cent excluding IFRS 16. The operation in Western Europe reported a profit of SEK 31 M (25) and SEK 30 M excluding IFRS 16. The margin amounted to 1.4 per cent (1.5) and 1.4 per cent excluding IFRS 16. The operating loss for the Parent Company in the first six months amounted to SEK -39 M (-37).

**Profit for the period** amounted to SEK 357 M (362) and SEK 371 M excluding IFRS 16. Earnings per share amounted to SEK 3.55 (3.60). Exchange rate fluctuations did not have a material impact on profit.

The **number of employees** increased by 163 to 4,948 during the first six months of the year. Adjusted for acquired operations, the number of employees increased by 90.

### Net turnover by geographic market

| SEK M                 | Second quarter |              | First six months |               | July 18 -<br>June 19 | Full year<br>2018 |
|-----------------------|----------------|--------------|------------------|---------------|----------------------|-------------------|
|                       | 2019           | 2018         | 2019             | 2018          |                      |                   |
| Sweden                | 4,512          | 5,356        | 8,637            | 9,663         | 16,716               | 17,742            |
| Norway                | 1,786          | 2,066        | 3,517            | 3,977         | 7,013                | 7,473             |
| Western Europe        | 1,122          | 902          | 2,134            | 1,657         | 3,620                | 3,143             |
| Parent Company, other | 6              | 5            | 12               | 10            | 26                   | 24                |
| <b>Total</b>          | <b>7,426</b>   | <b>8,329</b> | <b>14,300</b>    | <b>15,307</b> | <b>27,375</b>        | <b>28,382</b>     |

#### Operational earnings by geographic market

| SEK M                 | Second quarter |            | First six months |            | July 18 -<br>June 19 | Full year<br>2018 |
|-----------------------|----------------|------------|------------------|------------|----------------------|-------------------|
|                       | 2019           | 2018       | 2019             | 2018       |                      |                   |
| Sweden                | 220            | 226        | 407              | 390        | 786                  | 769               |
| Norway                | 80             | 71         | 140              | 131        | 267                  | 258               |
| Western Europe        | 25             | 20         | 31               | 25         | 79                   | 73                |
| Parent Company, other | -19            | -18        | -34              | -29        | -71                  | -66               |
| <b>Total</b>          | <b>306</b>     | <b>299</b> | <b>544</b>       | <b>517</b> | <b>1,061</b>         | <b>1,034</b>      |

#### Operational earnings by geographic market, excluding IFRS 16

| SEK M                 | Second quarter |            | First six months |            | July 18 -<br>June 19 | Full year<br>2018 |
|-----------------------|----------------|------------|------------------|------------|----------------------|-------------------|
|                       | 2019           | 2018       | 2019             | 2018       |                      |                   |
| Sweden                | 214            | 226        | 395              | 390        | 774                  | 769               |
| Norway                | 76             | 71         | 132              | 131        | 259                  | 258               |
| Western Europe        | 24             | 20         | 30               | 25         | 78                   | 73                |
| Parent Company, other | -18            | -18        | -34              | -29        | -71                  | -66               |
| <b>Total</b>          | <b>296</b>     | <b>299</b> | <b>523</b>       | <b>517</b> | <b>1,040</b>         | <b>1,034</b>      |

#### Margin by geographic market

| Per cent              | Second quarter |            | First six months |            | July 18 -<br>June 19 | Full year<br>2018 |
|-----------------------|----------------|------------|------------------|------------|----------------------|-------------------|
|                       | 2019           | 2018       | 2019             | 2018       |                      |                   |
| Sweden                | 4.9            | 4.2        | 4.7              | 4.0        | 4.7                  | 4.3               |
| Norway                | 4.5            | 3.4        | 4.0              | 3.3        | 3.8                  | 3.5               |
| Western Europe        | 2.2            | 2.2        | 1.4              | 1.5        | 2.2                  | 2.3               |
| Parent Company, other | -              | -          | -                | -          | -                    | -                 |
| <b>Total</b>          | <b>4.1</b>     | <b>3.6</b> | <b>3.8</b>       | <b>3.4</b> | <b>3.9</b>           | <b>3.6</b>        |

#### Margin by geographic market, excluding IFRS 16

| Per cent              | Second quarter |            | First six months |            | July 18 -<br>June 19 | Full year<br>2018 |
|-----------------------|----------------|------------|------------------|------------|----------------------|-------------------|
|                       | 2019           | 2018       | 2019             | 2018       |                      |                   |
| Sweden                | 4.7            | 4.2        | 4.6              | 4.0        | 4.6                  | 4.3               |
| Norway                | 4.2            | 3.4        | 3.8              | 3.3        | 3.7                  | 3.5               |
| Western Europe        | 2.2            | 2.2        | 1.4              | 1.5        | 2.2                  | 2.3               |
| Parent Company, other | -              | -          | -                | -          | -                    | -                 |
| <b>Total</b>          | <b>4.0</b>     | <b>3.6</b> | <b>3.7</b>       | <b>3.4</b> | <b>3.8</b>           | <b>3.6</b>        |

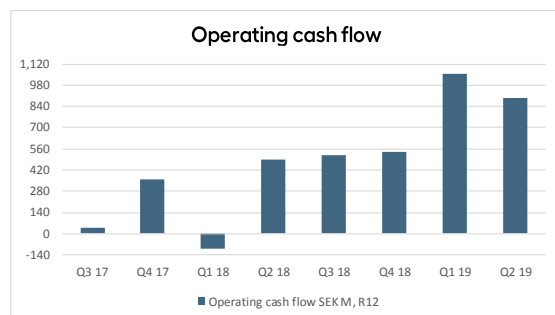
## Net financial items and tax

**Net financial items** for the second quarter amounted to SEK -29 M (-4) and SEK -9 M excluding IFRS 16.

**Tax** for the second quarter amounted to SEK -48 M (-54), and the effective tax rate was 19 per cent (20).

## Operating cash flow

**Operating cash flow** for the second quarter amounted to SEK 339 M (497). **Operating cash flow** excluding IFRS 16 for the second quarter amounted to SEK 226 M. After acquisitions and disposals of operations and changes in financial assets, cash flow for the second quarter amounted to SEK 292 M (497). The corresponding figure excluding IFRS 16 was SEK 179 M.



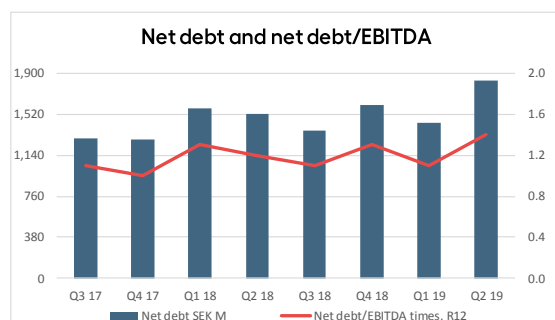
## Financial position

The **balance sheet total** increased by SEK 2,640 M during the first six months of 2019, amounting to SEK 14,711 M. The increase can mainly be attributed to the introduction of the new accounting standard IFRS 16 Leases, which increased the balance sheet total by SEK 2,525 M.

**Equity** decreased by SEK 73 M during the first half of 2019, amounting to SEK 2,842 M. A dividend of SEK 483 M was paid to the shareholders during the second quarter.

The **equity/assets ratio** amounted to 19 per cent (22), and 23 per cent excluding IFRS 16.

**Net debt** increased by SEK 2,750 M during the first half of 2019, amounting to SEK 4,353 M. The increase can mainly be explained by the introduction of the new accounting standard IFRS 16. Excluding lease liabilities attributable to IFRS 16, net debt amounted to SEK 1,831 M, an increase of SEK 228 M since December 2018. A dividend of SEK 483 M was paid to shareholders during the second quarter, which is why net debt adjusted for this payment decreased by SEK 255 M. The ratio of net debt to EBITDA including IFRS 16 was 2.8 times compared with 1.2 times in the previous year. The ratio of net debt to EBITDA excluding IFRS 16 was 1.4 times.



Excluding IFRS 16

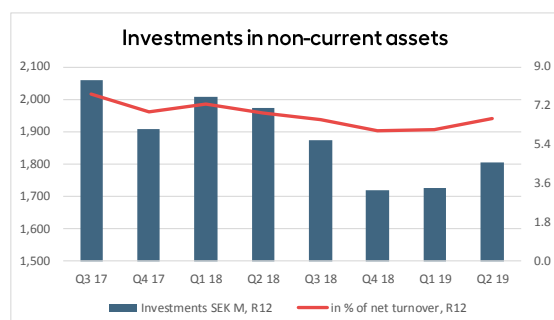
Liquidity remained good, and at the end of June a liability to the banks (Nordea and DNB) of SEK 195 M (191) was reported. Bilia's combined credit limit with Nordea and DNB amounts to SEK 1,500 M.

## Investments (excluding right-of-use assets)

**Acquisitions of non-current assets** during the second quarter amounted to SEK 55 M (61) **excluding lease vehicles** and SEK 635 M (555) **including lease vehicles**. Replacement investments represented SEK 8 M (12), expansion investments SEK 14 M (13), environmental investments SEK 15 M (3), investments in new construction and additions to properties SEK 11 M (19), finance leases SEK 7 M (14) and lease vehicles SEK 580 M (494).

### Investments in non-current assets by geographic market

| SEK M                 | Second quarter |            | First six months |              | July 18 -<br>June 19 | Full year<br>2018 |
|-----------------------|----------------|------------|------------------|--------------|----------------------|-------------------|
|                       | 2019           | 2018       | 2019             | 2018         |                      |                   |
| Sweden                | 521            | 377        | 797              | 746          | 1,207                | 1,156             |
| Norway                | 72             | 146        | 240              | 220          | 425                  | 405               |
| Western Europe        | 9              | 7          | 13               | 11           | 59                   | 57                |
| Parent Company, other | 33             | 25         | 60               | 46           | 114                  | 100               |
| <b>Total</b>          | <b>635</b>     | <b>555</b> | <b>1,110</b>     | <b>1,023</b> | <b>1,805</b>         | <b>1,718</b>      |



Excluding right-of-use assets

## Notable events

### Events during the second quarter

- No notable events occurred during the second quarter.

### Events during the first quarter

- Netbil Begagnat AB (Netbil), a company in the Bilia Group that sells used cars via two sales channels – online auctions and showrooms – opened a further two centres in the first quarter: Netbil in Kungens Kurva, southern Stockholm and Netbil in Jägersro, Malmö.

- In February Bilia signed an agreement to acquire Jensen & Scheele Bil AS. The business is located in Halden, Østfold, south of Oslo in Norway. Jensen & Scheele Bil AS comprises a complete Volvo centre, a bodyshop and a centre for sales of used cars including a service workshop. The company joined the Group on 1 April 2019. During the 2018 financial year, Jensen & Scheele Bil AS's turnover amounted to approximately NOK 370 M, with an average operating margin of around 3.5 per cent over the past four years.

#### **Notable events after the balance sheet date**

- No significant events have occurred after the end of the quarter.

Further information about the above-mentioned events along with other press information is available at [bilias.com](http://bilias.com).



## Service Business

Strong results considering number of working days during the quarter

### Second quarter 2019

- Turnover amounted to SEK 1,750 M (1,697), an increase of 3 per cent.
- Operational earnings amounted to SEK 217 M (209), and SEK 211 M excluding IFRS 16.
- The margin amounted to 12.4 per cent (12.3) and 12.1 per cent excluding IFRS 16.

### First six months 2019

- Turnover amounted to SEK 3,454 M (3,258), an increase of 6 per cent.
- Operational earnings amounted to SEK 435 M (378) and SEK 423 M excluding IFRS 16.
- The margin amounted to 12.6 per cent (11.6) and 12.3 per cent excluding IFRS 16.

## Turnover and earnings

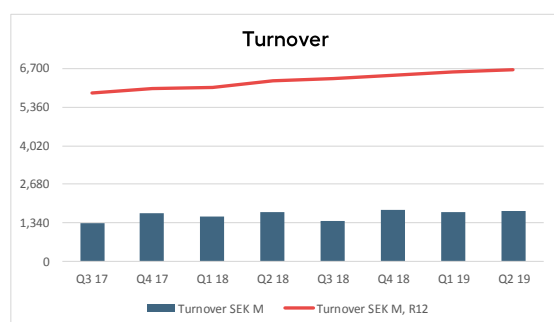
### Second quarter 2019

The Service Business continued to grow during the second quarter and the adjusted turnover for Sweden and Norway increased by 2 per cent. There was one less working day in Sweden and Germany, and two less in Norway and Luxembourg than in the previous year. Adjusted turnover was negatively impacted during the second quarter by 20 per cent fewer underlying deliveries in sales of new cars compared with last year.

#### Growth in the Service Business

| Per cent                     | Second quarter |            |            | First six months |            |            |
|------------------------------|----------------|------------|------------|------------------|------------|------------|
|                              | Sweden         | Norway     | Total      | Sweden           | Norway     | Total      |
| <i>Change from last year</i> |                |            |            |                  |            |            |
| Reported turnover            | 0.9            | 1.6        | 3.1        | 3.9              | 5.8        | 6.0        |
| Underlying turnover          | 0.9            | -3.2       | -0.1       | 3.9              | 1.5        | 3.3        |
| Calendar effect              | 1.7            | 3.3        | 2.1        | 0.8              | 0.8        | 0.8        |
| <b>Adjusted turnover</b>     | <b>2.6</b>     | <b>0.1</b> | <b>2.0</b> | <b>4.7</b>       | <b>2.3</b> | <b>4.1</b> |

Bearing in mind that there were fewer working days during the second quarter, Service Business's profit continued to grow and operational earnings excluding IFRS 16 increased by SEK 2 M. Operational earnings amounted to SEK 217 M (209) and SEK 211 M excluding IFRS 16, with a margin of 12.4 per cent (12.3) and 12.1 per cent excluding IFRS 16.



At the end of the second quarter Bilia had approximately 110,000 (101,000) customers with service subscriptions, and just over 318,000 (289,000) wheels in storage for customers.

Adjusted turnover for the Service Business in Sweden increased by just under 3 per cent and operational earnings amounted to SEK 142 M (136), and SEK 139 M excluding IFRS 16. Adjusted turnover for the Service Business in Norway was on a par with last year and operational earnings amounted to SEK 52 M (52), and SEK 50 M excluding IFRS 16. Adjusted turnover in Western Europe increased by almost 5 per cent and operational earnings amounted to SEK 23 M (21), and SEK 22 M excluding IFRS 16.

#### Turnover by geographic market

| SEK M          | Second quarter |              | First six months |              | July 18 - June 19 | Full year 2018 |
|----------------|----------------|--------------|------------------|--------------|-------------------|----------------|
|                | 2019           | 2018         | 2019             | 2018         |                   |                |
| Sweden         | 1,109          | 1,098        | 2,198            | 2,116        | 4,230             | 4,148          |
| Norway         | 439            | 432          | 868              | 820          | 1,680             | 1,632          |
| Western Europe | 202            | 167          | 388              | 322          | 739               | 673            |
| <b>Total</b>   | <b>1,750</b>   | <b>1,697</b> | <b>3,454</b>     | <b>3,258</b> | <b>6,649</b>      | <b>6,453</b>   |

#### Operational earnings by geographic market

| SEK M          | Second quarter |            | First six months |            | July 18 - June 19 | Full year 2018 |
|----------------|----------------|------------|------------------|------------|-------------------|----------------|
|                | 2019           | 2018       | 2019             | 2018       |                   |                |
| Sweden         | 142            | 136        | 291              | 248        | 563               | 520            |
| Norway         | 52             | 52         | 108              | 93         | 191               | 176            |
| Western Europe | 23             | 21         | 36               | 37         | 69                | 70             |
| <b>Total</b>   | <b>217</b>     | <b>209</b> | <b>435</b>       | <b>378</b> | <b>823</b>        | <b>766</b>     |

#### Operational earnings by geographic market, excluding IFRS 16

| SEK M          | Second quarter |            | First six months |            | July 18 - June 19 | Full year 2018 |
|----------------|----------------|------------|------------------|------------|-------------------|----------------|
|                | 2019           | 2018       | 2019             | 2018       |                   |                |
| Sweden         | 139            | 136        | 284              | 248        | 556               | 520            |
| Norway         | 50             | 52         | 104              | 93         | 187               | 176            |
| Western Europe | 22             | 21         | 35               | 37         | 68                | 70             |
| <b>Total</b>   | <b>211</b>     | <b>209</b> | <b>423</b>       | <b>378</b> | <b>811</b>        | <b>766</b>     |

Margin by geographic market

| Per cent       | Second quarter |             | First six months |             | July 18 -<br>June 19 | Full year<br>2018 |
|----------------|----------------|-------------|------------------|-------------|----------------------|-------------------|
|                | 2019           | 2018        | 2019             | 2018        |                      |                   |
| Sweden         | 12.8           | 12.3        | 13.2             | 11.7        | 13.3                 | 12.5              |
| Norway         | 11.9           | 12.1        | 12.5             | 11.3        | 11.4                 | 10.8              |
| Western Europe | 11.1           | 12.4        | 9.2              | 11.2        | 9.3                  | 10.4              |
| <b>Total</b>   | <b>12.4</b>    | <b>12.3</b> | <b>12.6</b>      | <b>11.6</b> | <b>12.4</b>          | <b>11.9</b>       |

Margin by geographic market, excluding IFRS 16

| Per cent       | Second quarter |             | First six months |             | July 18 -<br>June 19 | Full year<br>2018 |
|----------------|----------------|-------------|------------------|-------------|----------------------|-------------------|
|                | 2019           | 2018        | 2019             | 2018        |                      |                   |
| Sweden         | 12.5           | 12.3        | 12.9             | 11.7        | 13.1                 | 12.5              |
| Norway         | 11.5           | 12.1        | 12.0             | 11.3        | 11.1                 | 10.8              |
| Western Europe | 11.0           | 12.4        | 9.1              | 11.2        | 9.2                  | 10.4              |
| <b>Total</b>   | <b>12.1</b>    | <b>12.3</b> | <b>12.3</b>      | <b>11.6</b> | <b>12.2</b>          | <b>11.9</b>       |

## Car Business

New record result for sales of used cars offset a lower result for sales of new cars

### Second quarter 2019

- Turnover amounted to SEK 5,654 M (6,632), a decrease of 15 per cent.
- Operational earnings amounted to SEK 102 M (102), and SEK 97 M excluding IFRS 16.
- The margin amounted to 1.8 per cent (1.5) and 1.7 per cent excluding IFRS 16.

### First six months 2019

- Turnover amounted to SEK 10,868 M (12,095), a decrease of 10 per cent.
- Operational earnings amounted to SEK 126 M (148) and SEK 117 M excluding IFRS 16.
- The margin amounted to 1.2 per cent (1.2) and 1.1 per cent excluding IFRS 16.

## Turnover and earnings

### Second quarter 2019

The Car Business's deliveries of new and used cars, adjusted for comparable operations, decreased by 20 and 2 per cent respectively compared with last year.

The order intake of new cars for the Group, adjusted for comparable operations, was pleasingly 3 per cent higher than last year. The underlying order backlog increased by 1,891 cars during the first half-year and amounted to 11,579 cars, which underlying was 3,051 cars more or 37 per cent higher than last year.

#### New cars by geographic market

| Number of                    | Deliveries     |               |                  |               | Order backlog     |                |
|------------------------------|----------------|---------------|------------------|---------------|-------------------|----------------|
|                              | Second quarter |               | First six months |               | July 18 - June 19 | Full year 2018 |
|                              | 2019           | 2018          | 2019             | 2018          | 30 June 2019      | 30 June 2018   |
| Sweden                       | 9,124          | 11,738        | 16,573           | 20,255        | 31,278            | 34,960         |
| Norway <sup>1)</sup>         | 2,153          | 2,612         | 4,433            | 5,327         | 9,002             | 9,896          |
| Western Europe <sup>2)</sup> | 1,801          | 1,536         | 3,408            | 2,692         | 6,184             | 5,468          |
| <b>Total</b>                 | <b>13,078</b>  | <b>15,886</b> | <b>24,414</b>    | <b>28,274</b> | <b>46,464</b>     | <b>50,324</b>  |
|                              |                |               |                  |               | <b>11,579</b>     | <b>8,324</b>   |

<sup>1)</sup> Jensen & Scheele Bil AS is included in deliveries during the quarter with 42 (-) and during the first six months with 42 (-) and with 42 (-) in order backlog.

<sup>2)</sup> Verstraeten and Gent Store by Verstraeten are included in deliveries during the quarter with 261 (-) and during the first six months with 535 (-) and with 162 (-) in order backlog.

#### Used cars by geographic market

| Number of                    | Deliveries     |               |                  |               | Order backlog     |                |
|------------------------------|----------------|---------------|------------------|---------------|-------------------|----------------|
|                              | Second quarter |               | First six months |               | July 18 - June 19 | Full year 2018 |
|                              | 2019           | 2018          | 2019             | 2018          | 30 June 2019      | 30 June 2018   |
| Sweden                       | 8,599          | 8,929         | 16,461           | 16,931        | 33,317            | 33,787         |
| Norway <sup>1)</sup>         | 2,746          | 2,436         | 5,328            | 5,137         | 9,991             | 9,800          |
| Western Europe <sup>2)</sup> | 1,561          | 1,333         | 3,073            | 2,534         | 5,065             | 4,526          |
| <b>Total</b>                 | <b>12,906</b>  | <b>12,698</b> | <b>24,862</b>    | <b>24,602</b> | <b>48,373</b>     | <b>48,113</b>  |

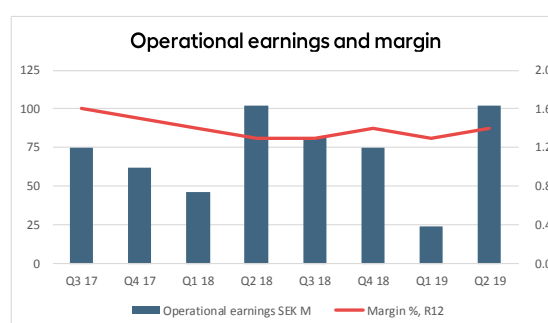
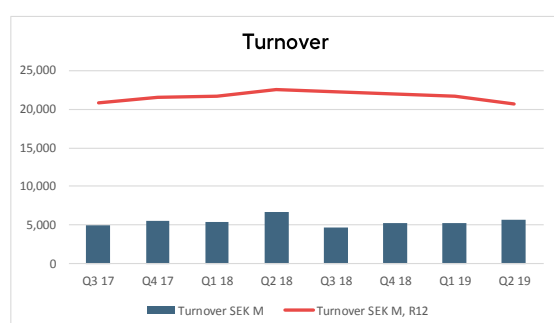
<sup>1)</sup> Jensen & Scheele Bil AS is included during the quarter with 172 (-) and during the first six months with 172 (-).

<sup>2)</sup> Verstraeten and Gent Store by Verstraeten are included during the quarter with 257 (-) and during the first six months with 510 (-).

Adjusted for comparable operations and exchange rate fluctuations, turnover during the second quarter was approximately 19 per cent lower than last year, attributable to fewer deliveries of new cars. The lower number of new cars delivered during the second quarter impacted negatively on Car Business profits, and profit from the sales of new cars was SEK 57 M lower compared with last year.

Profit from the sale of used cars, however, set a new record in the second quarter and was SEK 52 M up on the previous year. The improved profit was mainly attributable to a higher gross profit margin. Operational earnings from sales of used cars, excluding IFRS 16, amounted to SEK 57 M (5). The turnover rate of the stock of used cars has remained a priority and was at a high level.

All in all, operational earnings for the Car Business were on a par with last year and amounted to SEK 102 M (102), and SEK 97 M excluding IFRS 16.



The Car Business in Sweden reported operational earnings SEK 12 M lower (SEK 15 M excluding IFRS 16) than last year, mainly attributable to lower turnover due to 22 per cent fewer deliveries of new cars. Profit from sales of used cars excluding IFRS 16 was SEK 27 M up on last year and amounted to SEK 42 M (15). The improvement was mainly attributable to a higher gross profit margin. The number of used cars in stock was at a favourable level.

Operational earnings for the Car Business in Norway were SEK 9 M higher than last year (SEK 7 M excluding IFRS 16), which is mainly attributable to a higher turnover and gross profit margin in sales of used cars. Profit from sales of used cars, excluding IFRS 16, amounted to SEK 16 M (loss: -4). The number of used cars in stock was slightly high. Profit on sales of new cars excluding IFRS 16 was negatively affected by 19 per cent fewer underlying deliveries of new cars.

Operational earnings for the Car Business in Western Europe were SEK 3 M higher than last year (SEK 3 M excluding IFRS 16), which is mainly attributable to a higher turnover and gross profit margin in sales of used cars. Profit from sales of used cars, excluding IFRS 16, amounted to SEK -1 M (loss: -6). Profit on sales of new cars excluding IFRS 16 was negatively affected by a lower gross profit margin.

#### Turnover by geographic market

| SEK M          | Second quarter |              | First six months |               | July 18 - June 19 | Full year 2018 |
|----------------|----------------|--------------|------------------|---------------|-------------------|----------------|
|                | 2019           | 2018         | 2019             | 2018          |                   |                |
| Sweden         | 3,266          | 4,127        | 6,221            | 7,335         | 12,029            | 13,143         |
| Norway         | 1,447          | 1,751        | 2,857            | 3,386         | 5,771             | 6,300          |
| Western Europe | 941            | 754          | 1,790            | 1,374         | 2,961             | 2,545          |
| <b>Total</b>   | <b>5,654</b>   | <b>6,632</b> | <b>10,868</b>    | <b>12,095</b> | <b>20,761</b>     | <b>21,988</b>  |

#### Operational earnings by geographic market

| SEK M          | Second quarter |            | First six months |            | July 18 -<br>June 19 | Full year<br>2018 |
|----------------|----------------|------------|------------------|------------|----------------------|-------------------|
|                | 2019           | 2018       | 2019             | 2018       |                      |                   |
| Sweden         | 72             | 84         | 99               | 122        | 196                  | 219               |
| Norway         | 28             | 19         | 32               | 38         | 76                   | 82                |
| Western Europe | 2              | -1         | -5               | -12        | 10                   | 3                 |
| <b>Total</b>   | <b>102</b>     | <b>102</b> | <b>126</b>       | <b>148</b> | <b>282</b>           | <b>304</b>        |

#### Operational earnings by geographic market, excluding IFRS 16

| SEK M          | Second quarter |            | First six months |            | July 18 -<br>June 19 | Full year<br>2018 |
|----------------|----------------|------------|------------------|------------|----------------------|-------------------|
|                | 2019           | 2018       | 2019             | 2018       |                      |                   |
| Sweden         | 69             | 84         | 94               | 122        | 191                  | 219               |
| Norway         | 26             | 19         | 28               | 38         | 72                   | 82                |
| Western Europe | 2              | -1         | -5               | -12        | 10                   | 3                 |
| <b>Total</b>   | <b>97</b>      | <b>102</b> | <b>117</b>       | <b>148</b> | <b>273</b>           | <b>304</b>        |

#### Margin by geographic market

| Per cent       | Second quarter |            | First six months |            | July 18 -<br>June 19 | Full year<br>2018 |
|----------------|----------------|------------|------------------|------------|----------------------|-------------------|
|                | 2019           | 2018       | 2019             | 2018       |                      |                   |
| Sweden         | 2.2            | 2.0        | 1.6              | 1.7        | 1.6                  | 1.7               |
| Norway         | 1.9            | 1.1        | 1.1              | 1.1        | 1.3                  | 1.3               |
| Western Europe | 0.2            | -0.1       | -0.3             | -0.9       | 0.3                  | 0.1               |
| <b>Total</b>   | <b>1.8</b>     | <b>1.5</b> | <b>1.2</b>       | <b>1.2</b> | <b>1.4</b>           | <b>1.4</b>        |

#### Margin by geographic market, excluding IFRS 16

| Per cent       | Second quarter |            | First six months |            | July 18 -<br>June 19 | Full year<br>2018 |
|----------------|----------------|------------|------------------|------------|----------------------|-------------------|
|                | 2019           | 2018       | 2019             | 2018       |                      |                   |
| Sweden         | 2.1            | 2.0        | 1.5              | 1.7        | 1.6                  | 1.7               |
| Norway         | 1.8            | 1.1        | 1.0              | 1.1        | 1.2                  | 1.3               |
| Western Europe | 0.2            | -0.1       | -0.3             | -0.9       | 0.3                  | 0.1               |
| <b>Total</b>   | <b>1.7</b>     | <b>1.5</b> | <b>1.1</b>       | <b>1.2</b> | <b>1.3</b>           | <b>1.4</b>        |

# Fuel Business

## Continued growth in operations

### Second quarter 2019

- Turnover amounted to SEK 362 M (342), an increase of 6 per cent.
- Operational earnings amounted to SEK 6 M (6).
- The margin was 1.5 per cent (1.8).

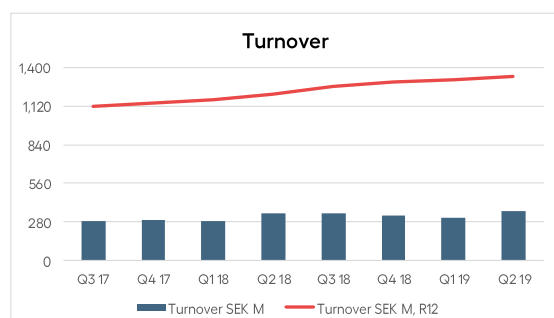
### First six months 2019

- Turnover amounted to SEK 669 M (631), an increase of 6 per cent.
- Operational earnings amounted to SEK 17 M (20).
- The margin was 2.5 per cent (3.2).

## Turnover and earnings

### Second quarter 2019

The Fuel Business is concentrated mainly in Sweden and profit for the second quarter amounted to SEK 6 M (6).



| Turnover |                |      |                  |      |           |           |
|----------|----------------|------|------------------|------|-----------|-----------|
| SEK M    | Second quarter |      | First six months |      | July 18 - | Full year |
|          | 2019           | 2018 | 2019             | 2018 | June 19   | 2018      |
| Total    | 362            | 342  | 669              | 631  | 1,335     | 1,297     |

| Operational earnings |                |      |                  |      |           |           |
|----------------------|----------------|------|------------------|------|-----------|-----------|
| SEK M                | Second quarter |      | First six months |      | July 18 - | Full year |
|                      | 2019           | 2018 | 2019             | 2018 | June 19   | 2018      |
| Total                | 6              | 6    | 17               | 20   | 27        | 30        |

| Margin   |                |      |                  |      |           |           |
|----------|----------------|------|------------------|------|-----------|-----------|
| Per cent | Second quarter |      | First six months |      | July 18 - | Full year |
|          | 2019           | 2018 | 2019             | 2018 | June 19   | 2018      |
| Total    | 1.5            | 1.8  | 2.5              | 3.2  | 2.0       | 2.3       |

## Other information

### Risks and uncertainties

As a result of its operations, the Bilia Group is exposed to both operating risks and financial risks.

The operating risks include:

- Risks related to changes in demand for Bilia's products and services due to changes in the market related to economic conditions, government decisions, the establishment of alternative sales channels, the competitiveness of products and technological development. Lower demand for cars could entail risks related to the current stock of cars and cars with guaranteed buy-back values.
- Risks related to dealer/service authorisations, since Bilia is dependent on approval by manufacturers/general agents to expand and establish new sales of new cars. Authorisation agreements can be terminated by the other party and Bilia's vehicle suppliers could become insolvent, which could entail the risk of disruption in the operation.
- Risks related to Bilia not having the capacity and resources to develop its own concepts and services, and of our suppliers not being able to offer competitive products in line with the customers' wishes and requirements.
- Risks related to recruiting and retaining skilled employees, retaining strategic business locations for our operations, acquiring and integrating new operations in a successful manner, which could affect Bilia's potential to expand its operations according to its set financial goals.
- Risks related to non-compliance with regulations, a lack of environmental pollution remediation and a lack of control over IT operation could entail regulatory consequences, financial burdens, operational disruptions and an adverse impact on Bilia's reputation.

The financial risks include liquidity risks, interest rate risks, credit risks and currency risks.

Bilia works continuously with risk identification and risk assessment. For further published information about the risks that affect the Group, please refer to the 2018 Annual Report.



## Seasonal variations and number of working days

Bilia's operations and operating profit are influenced to a limited extent by seasonal variations. The number of working days during the report periods is influenced by how holidays fall in the different countries in different years. The number of working days in the period influences business operations and profits in the Service Business in particular, but also in the Car Business.

## Related party transactions

For a description of related party transactions, see page 87 of the 2018 annual report.

## Parent Company

Bilia AB is responsible for the Group's management, strategic planning, purchasing, public relations, business development, HR, real estate activities, accounting and financing.

## Accounts - Group

### Consolidated Statement of Income and Other Comprehensive Income

| SEK M   | Second quarter |              | First six months   |              | July 18 -             | Full year    |
|---|----------------|--------------|--------------------|--------------|-----------------------|--------------|
|   | 2019           | 2018         | 2019 <sup>1)</sup> | 2018         | June 19 <sup>1)</sup> | 2018         |
| Net turnover  | 7,426          | 8,329        | 14,300             | 15,307       | 27,375                | 28,382       |
| Costs of goods sold   | -6,169         | -7,097       | -11,898            | -12,989      | -22,716               | -23,807      |
| <b>Gross profit</b>   | <b>1,257</b>   | <b>1,232</b> | <b>2,402</b>       | <b>2,318</b> | <b>4,659</b>          | <b>4,575</b> |
| Other operating income  | 5              | 0            | 6                  | 2            | 10                    | 6            |
| Selling and administrative expenses                               | -980           | -954         | -1,905             | -1,841       | -3,686                | -3,622       |
| Other operating expenses  | -2             | -4           | -12                | -9           | -19                   | -16          |
| <b>Operating profit <sup>1)</sup></b>                             | <b>280</b>     | <b>274</b>   | <b>491</b>         | <b>470</b>   | <b>964</b>            | <b>943</b>   |
| Financial income  | 1              | 1            | 12                 | 2            | 12                    | 2            |
| Financial expenses  | -40            | -18          | -78                | -33          | -109                  | -64          |
| Shares in profits of associated companies                         | 10             | 13           | 18                 | 19           | 40                    | 41           |
| <b>Profit before tax</b>  | <b>251</b>     | <b>270</b>   | <b>443</b>         | <b>458</b>   | <b>907</b>            | <b>922</b>   |
| Tax   | -48            | -54          | -86                | -96          | -178                  | -188         |
| <b>Net profit for the period</b>                                  | <b>203</b>     | <b>216</b>   | <b>357</b>         | <b>362</b>   | <b>729</b>            | <b>734</b>   |
| <b>Other comprehensive income/loss</b>                            |                |              |                    |              |                       |              |
| <i>Items that can be reclassified to profit or loss</i>           |                |              |                    |              |                       |              |
| Translation differences attributable to foreign operations        | 17             | 26           | 55                 | 81           | 5                     | 31           |
| <b>Other comprehensive income/loss after tax</b>                  | <b>17</b>      | <b>26</b>    | <b>55</b>          | <b>81</b>    | <b>5</b>              | <b>31</b>    |
| <b>Comprehensive income for the period</b>                        | <b>220</b>     | <b>242</b>   | <b>412</b>         | <b>443</b>   | <b>734</b>            | <b>765</b>   |
| <b>Net profit for the period attributable to:</b>                 |                |              |                    |              |                       |              |
| Parent Company's shareholders                                     | 203            | 216          | 357                | 362          | 729                   | 734          |
| <b>Comprehensive income for the period attributable to:</b>       |                |              |                    |              |                       |              |
| Parent Company's shareholders                                     | 220            | 242          | 412                | 443          | 734                   | 765          |
| <b>Weighted average number of shares, '000:</b>                   |                |              |                    |              |                       |              |
| - before dilution   | 100,951        | 100,951      | 100,951            | 100,951      | 100,951               | 100,951      |
| - after dilution  | 101,054        | 100,986      | 101,054            | 100,969      | 101,056               | 101,013      |
| Basic earnings/loss per share, SEK                                | 2.05           | 2.15         | 3.55               | 3.60         | 7.20                  | 7.25         |
| Diluted earnings/loss per share, SEK                              | 2.05           | 2.15         | 3.55               | 3.60         | 7.20                  | 7.25         |
| Weighted average number of own shares, '000                       | 1,849          | 1,649        | 1,849              | 1,649        | 1,849                 | 1,849        |
| <b>1) Straight-line amortisation/depreciation by asset class:</b> |                |              |                    |              |                       |              |
| - Intellectual property   | -31            | -25          | -61                | -49          | -112                  | -100         |
| - Land and buildings  | -14            | -12          | -27                | -22          | -63                   | -58          |
| - Equipment, tools, fixtures and fittings                         | -28            | -26          | -55                | -52          | -96                   | -93          |
| - Leased vehicles   | -100           | -104         | -202               | -208         | -421                  | -427         |
| - Right-of-use assets   | -113           | 0            | -225               | 0            | -225                  | 0            |
| <b>Total</b>  | <b>-286</b>    | <b>-167</b>  | <b>-570</b>        | <b>-331</b>  | <b>-917</b>           | <b>-678</b>  |

<sup>1)</sup> IFRS 16 Leases was introduced on 1 January 2019. Bilia has used a modified retroactive method, which means that figures for 2018 are not restated. See Note 1 and Definitions and performance measures.

## Consolidated Statement of Financial Position, Summary

| SEK M   | 30 June<br>2019 <sup>1)</sup> | 31 December<br>2018 | 30 June<br>2018 |
|---|-------------------------------|---------------------|-----------------|
| <b>Assets</b>                                       |                               |                     |                 |
| <b>Non-current assets</b>                           |                               |                     |                 |
| <b>Intangible assets</b>                            |                               |                     |                 |
| Intellectual property                               | 698                           | 670                 | 593             |
| Goodwill  | 868                           | 842                 | 776             |
|   | <b>1,566</b>                  | <b>1,512</b>        | <b>1,369</b>    |
| <b>Property, plant and equipment</b>                |                               |                     |                 |
| Land and buildings                                  | 740                           | 726                 | 600             |
| Construction in progress                            | 101                           | 83                  | 48              |
| Equipment, tools, fixtures and fittings             | 510                           | 500                 | 478             |
| Leased vehicles <sup>1)</sup>                       | 3,210                         | 2,958               | 3,091           |
| Right-of-use assets                                 | 2,621                         | -                   | -               |
|   | <b>7,182</b>                  | <b>4,267</b>        | <b>4,217</b>    |
| <b>Long-term investments</b>                        |                               |                     |                 |
| Financial investments <sup>1)</sup>                 | 419                           | 449                 | 426             |
| Long-term receivables <sup>2)</sup>                 | -                             | -                   | 1               |
|   | <b>419</b>                    | <b>449</b>          | <b>427</b>      |
| Deferred tax assets                                 | 96                            | 81                  | 72              |
| <b>Total non-current assets</b>                     | <b>9,263</b>                  | <b>6,309</b>        | <b>6,085</b>    |
| <b>Current assets</b>                               |                               |                     |                 |
| Inventories, merchandise                            | 3,692                         | 3,992               | 3,543           |
| <b>Current receivables</b>                          |                               |                     |                 |
| Other receivables <sup>1)</sup>                     | 1,511                         | 1,456               | 1,872           |
| Cash and cash equivalents <sup>2)</sup>             | 245                           | 314                 | 149             |
| <b>Total current assets</b>                         | <b>5,448</b>                  | <b>5,762</b>        | <b>5,564</b>    |
| <b>TOTAL ASSETS</b>                                 | <b>14,711</b>                 | <b>12,071</b>       | <b>11,649</b>   |
| <b>Equity and liabilities</b>                       |                               |                     |                 |
| <b>Equity</b>                                       |                               |                     |                 |
| Share capital                                       | 257                           | 257                 | 257             |
| Other contributed capital                           | 167                           | 167                 | 167             |
| Reserves  | 48                            | -7                  | 43              |
| Retained earnings including net profit for the year | 2,370                         | 2,498               | 2,133           |
| <b>Total equity</b>                                 | <b>2,842</b>                  | <b>2,915</b>        | <b>2,600</b>    |
| <b>Non-current liabilities</b>                      |                               |                     |                 |
| Bond issue <sup>3)</sup>                            | 1,285                         | 1,281               | 1,005           |
| Interest-bearing liabilities <sup>4)</sup>          | 227                           | 282                 | 240             |
| Lease liabilities <sup>4)</sup>                     | 2,107                         | -                   | -               |
| Other liabilities and provisions <sup>3)</sup>      | 2,272                         | 2,083               | 2,251           |
|   | <b>5,891</b>                  | <b>3,646</b>        | <b>3,496</b>    |
| <b>Current liabilities</b>                          |                               |                     |                 |
| Interest-bearing liabilities <sup>4)</sup>          | 959                           | 776                 | 855             |
| Lease liabilities <sup>4)</sup>                     | 415                           | -                   | -               |
| Other liabilities and provisions                    | 4,604                         | 4,734               | 4,698           |
|   | <b>5,978</b>                  | <b>5,510</b>        | <b>5,553</b>    |
| <b>TOTAL EQUITY AND LIABILITIES</b>                 | <b>14,711</b>                 | <b>12,071</b>       | <b>11,649</b>   |
| <b>Assets</b>                                       |                               |                     |                 |
| <sup>1)</sup> Of which interest-bearing             | 410                           | 441                 | 419             |
| <sup>2)</sup> Interest-bearing                      | 245                           | 314                 | 150             |
| <b>Liabilities</b>                                  |                               |                     |                 |
| <sup>3)</sup> Of which interest-bearing             | 1,300                         | 1,300               | 1,000           |
| <sup>4)</sup> Interest-bearing                      | 3,708                         | 1,058               | 1,095           |

<sup>1)</sup> IFRS 16 Leases was introduced on 1 January 2019. Bilia has used a modified retroactive method, which means that figures for 2018 are not restated. See Note 1 and Definitions and performance measures.

## Statement of Changes in Group Equity, Summary

| SEK M                             | 30 June<br>2019 <sup>1)</sup> | 31 December<br>2018 | 30 June<br>2018 |
|-----------------------------------|-------------------------------|---------------------|-----------------|
| Opening balance                   | 2,915                         | 2,620               | 2,620           |
| Cash dividend to shareholders     | -483                          | -456                | -456            |
| Incentive programme               | 0                             | 1                   | 0               |
| Revaluation of put option         | -2                            | -15                 | -7              |
| Comprehensive income for the year | 412                           | 765                 | 443             |
| <b>Equity at end of period</b>    | <b>2,842</b>                  | <b>2,915</b>        | <b>2,600</b>    |

<sup>1)</sup> IFRS 16 Leases was introduced on 1 January 2019. Bilia has used a modified retroactive method, which means that figures for 2018 are not restated. See Note 1 and Definitions and performance measures.

## Consolidated Statement of Cash Flows

| SEK M   | Second quarter |             | First six months   |             | July 18 -<br>June 19 <sup>1)</sup> | Full year    |
|---|----------------|-------------|--------------------|-------------|------------------------------------|--------------|
|   | 2019           | 2018        | 2019 <sup>1)</sup> | 2018        |                                    | 2018         |
| <b>Operating activities</b>   |                |             |                    |             |                                    |              |
| Profit before tax   | 251            | 270         | 443                | 458         | 907                                | 922          |
| Depreciation and impairment losses  | 286            | 167         | 570                | 331         | 982                                | 743          |
| Other items not affecting cash  | 49             | -7          | 49                 | -15         | 25                                 | -39          |
| Tax paid  | -80            | -53         | -192               | -106        | -266                               | -180         |
| Change in inventories   | 279            | 304         | 428                | 28          | -42                                | -442         |
| Change in operating receivables   | -103           | -363        | -90                | -302        | 340                                | 128          |
| Change in operating liabilities   | -226           | 325         | -180               | 283         | -468                               | -5           |
| <b>Kassaflöde från den löpande verksamheten</b>                           | <b>456</b>     | <b>643</b>  | <b>1,028</b>       | <b>677</b>  | <b>1,478</b>                       | <b>1,127</b> |
| <b>Investing activities</b>   |                |             |                    |             |                                    |              |
| Acquisition of non-current assets (intangible and tangible)               | -55            | -61         | -118               | -137        | -252                               | -271         |
| Disposal of non-current assets (intangible and tangible)                  | 8              | 0           | 13                 | 0           | 47                                 | 34           |
| Acquisition of leased vehicles  | -580           | -494        | -992               | -886        | -1,553                             | -1,447       |
| Disposal of leased vehicles   | 508            | 409         | 748                | 669         | 1,178                              | 1,099        |
| Acquisition of right-of-use assets  | -2             | 0           | -4                 | 0           | -4                                 | 0            |
| Disposal of right-of-use assets   | 4              | 0           | 4                  | 0           | 4                                  | 0            |
| <i>Operating cash flow</i>  | <i>339</i>     | <i>497</i>  | <i>679</i>         | <i>323</i>  | <i>898</i>                         | <i>542</i>   |
| Investment in financial assets  | 0              | -1          | -3                 | -1          | -5                                 | -3           |
| Disposal of financial assets  | 2              | 1           | 2                  | 1           | 3                                  | 2            |
| Acquisition of subsidiary/operation, net                                  | -49            | 0           | -67                | -51         | -350                               | -334         |
| Disposal of subsidiary/operation, net                                     | 0              | 0           | 0                  | 0           | 0                                  | 0            |
| <b>Cash flow from investing activities</b>                                | <b>-164</b>    | <b>-146</b> | <b>-417</b>        | <b>-405</b> | <b>-932</b>                        | <b>-920</b>  |
| <b>Cash flow after net investments</b>                                    | <b>292</b>     | <b>497</b>  | <b>611</b>         | <b>272</b>  | <b>546</b>                         | <b>207</b>   |
| <b>Financing activities</b>   |                |             |                    |             |                                    |              |
| Borrowings  | 395            | 2,035       | 970                | 2,683       | 1,669                              | 3,382        |
| Repayment of loans  | -279           | -2,021      | -900               | -2,522      | -1,331                             | -2,953       |
| Repayment of lease liabilities  | -15            | -15         | -31                | -29         | -62                                | -60          |
| Lease liabilities entered IFRS 16   | 2              | 0           | 4                  | 0           | 4                                  | 0            |
| Repayment of lease liabilities IFRS 16                                    | -116           | 0           | -245               | 0           | -245                               | 0            |
| Revaluation of put option   | 0              | -1          | 0                  | -7          | -8                                 | -15          |
| Dividend paid to the company's shareholders                               | -483           | -456        | -483               | -456        | -483                               | -456         |
| <b>Cash flow from financing activities</b>                                | <b>-496</b>    | <b>-458</b> | <b>-685</b>        | <b>-331</b> | <b>-456</b>                        | <b>-102</b>  |
| <b>Change in cash and cash equivalents, excl. translation differences</b> | <b>-204</b>    | <b>39</b>   | <b>-74</b>         | <b>-59</b>  | <b>90</b>                          | <b>105</b>   |
| Exchange difference in cash and cash equivalents                          | 2              | 1           | 5                  | 6           | 6                                  | 7            |
| <b>Change in cash and cash equivalents</b>                                | <b>-202</b>    | <b>40</b>   | <b>-69</b>         | <b>-53</b>  | <b>96</b>                          | <b>112</b>   |
| Cash and cash equivalents at start of period                              | 447            | 109         | 314                | 202         | 149                                | 202          |
| Cash and cash equivalents at end of period                                | 245            | 149         | 245                | 149         | 245                                | 314          |

<sup>1)</sup> IFRS 16 Leases was introduced on 1 January 2019. Bilia has used a modified retroactive method, which means that figures for 2018 are not restated. See Note 1 and Definitions and performance measures.

## Additional disclosures - Group

### Note 1 Accounting principles

This interim report has been prepared in accordance with International Financial Accounting Standards (IFRSs) IAS 34 and applicable provisions of the Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with Chapter 9 of the Annual Accounts Act, "Interim Reports". The same accounting policies and calculation methods have been applied for the Group and the Parent Company as in the most recent annual report.

#### New accounting policies from 1 January 2019

On 1 January 2019, IFRS 16 Leases replaced existing IFRS relating to accounting of leases. The standard removes the division of leases into operating and finance leases for the lessee, as was required by IAS 17, and instead introduces a common model for reporting all leases. According to this model the lessee must report a) assets and liabilities for all leases running for more than 12 months, with the exception of low-value assets, b) depreciation of leased assets separately from the interest expense of leases in the result.

In the transition to IFRS 16 on 1 January 2019 Bilia has used a modified retroactive method, which means that figures for 2018 are not restated. The leasing liability was the total of the present value of all future lease fees until the lease comes to an end. The simplification rule that the right-of-use asset (before adjustments for any advance payments) should correspond to the lease liability has been applied in the transition. The discount rate was Bilia's marginal borrowing rate with regard to the duration of the lease. The simplification rule for definition of a lease has been applied, which means that all components in a lease have been regarded as a lease component. The exceptions for not reporting short-term leases and assets of low value has also been applied.

The estimated opening balance of the lease liability and the right-of-use asset amounted to SEK 2,793 M for existing leases. The largest class of asset for leases was properties, such as the centres where Bilia conducts its business. Bilia's reported profit, financial position and cash flow in the first six months of 2019 were affected by the introduction of IFRS 16 Leases as described below.

Consolidated statement of income and other comprehensive income, summary

| MSEK   | Excluding IFRS 16 | Including IFRS 16 |                  |
|--|-------------------|-------------------|------------------|
|  | First six months  | IFRS 16           | First six months |
|  | 2019              |                   | 2019             |
| Net turnover   | 14,300            | -                 | 14,300           |
| <b>Gross profit</b>  | <b>2,394</b>      | <b>8</b>          | <b>2,402</b>     |
| Other operating income                                     | 6                 | -                 | 6                |
| Selling and administrative expenses                        | -1,918            | 13                | -1,905           |
| Other operating expenses                                   | -12               | -                 | -12              |
| <b>Operating profit</b>                                    | <b>470</b>        | <b>21</b>         | <b>491</b>       |
| Net financial items  | -9                | -39               | -48              |
| <b>Profit before tax</b>                                   | <b>461</b>        | <b>-18</b>        | <b>443</b>       |
| Deferred tax   | 19                | 4                 | 23               |
| Tax  | -109              | -                 | -109             |
| <b>Net profit for the period</b>                           | <b>371</b>        | <b>-14</b>        | <b>357</b>       |
| Translation differences attributable to foreign operations | 55                | 0                 | 55               |
| <b>Comprehensive income for the period</b>                 | <b>426</b>        | <b>-14</b>        | <b>412</b>       |
| Total amortisation/depreciation                            | -345              | -225              | -570             |

Consolidated statement of financial position, summary

| MSEK                                 | Excluding IFRS 16 | IFRS 16      | Including IFRS 16 |
|--------------------------------------|-------------------|--------------|-------------------|
|                                      | 30 June 2019      |              | 30 June 2019      |
| <b>Assets</b>                        |                   |              |                   |
| Intangible assets                    | 1,566             | -            | 1,566             |
| Right-of-use assets                  | -                 | 2,621        | 2,621             |
| Other property, plant and equipment  | 4,561             | -            | 4,561             |
| Long-term investments                | 419               | -            | 419               |
| Deferred tax assets                  | 92                | 4            | 96                |
| <b>Total non-current assets</b>      | <b>6,638</b>      | <b>2,625</b> | <b>9,263</b>      |
| <b>Total current assets</b>          | <b>5,548</b>      | <b>-100</b>  | <b>5,448</b>      |
| <b>TOTAL ASSETS</b>                  | <b>12,186</b>     | <b>2,525</b> | <b>14,711</b>     |
| <b>Equity and liabilities</b>        |                   |              |                   |
| <b>Total equity</b>                  | <b>2,856</b>      | <b>-14</b>   | <b>2,842</b>      |
| Bond issue                           | 1,285             | -            | 1,285             |
| Interest-bearing liabilities         | 227               | 2,107        | 2,334             |
| Other liabilities and provisions     | 2,272             | -            | 2,272             |
| <b>Total non-current liabilities</b> | <b>3,784</b>      | <b>2,107</b> | <b>5,891</b>      |
| Interest-bearing liabilities         | 959               | 415          | 1,374             |
| Other liabilities and provisions     | 4,587             | 17           | 4,604             |
| <b>Total current liabilities</b>     | <b>5,546</b>      | <b>432</b>   | <b>5,978</b>      |
| <b>TOTAL EQUITY AND LIABILITIES</b>  | <b>12,186</b>     | <b>2,525</b> | <b>14,711</b>     |

#### Consolidated statement of cash flows, summary

| MSEK   | Excluding IFRS 16 | Including IFRS 16 |                  |
|--|-------------------|-------------------|------------------|
|  | First six months  | IFRS 16           | First six months |
|  | 2019              |                   | 2019             |
| Profit before tax  | 461               | -18               | 443              |
| Depreciation and impairment losses                             | 345               | 225               | 570              |
| Other items not affecting cash                                 | 49                | -                 | 49               |
| Tax paid   | -192              | -                 | -192             |
| Change in inventories and in operating receivables/liabilities | 124               | 34                | 158              |
| <b>Cash flow from operating activities</b>                     | <b>787</b>        | <b>241</b>        | <b>1,028</b>     |
| Acquisition/disposal of non-current assets                     | -349              | 0                 | -349             |
| <i>Operating cash flow</i>                                     | <i>438</i>        | <i>241</i>        | <i>679</i>       |
| Investment in/disposal of financial assets                     | -1                | -                 | -1               |
| Acquisition/disposal of subsidiary/operation, net              | -67               | -                 | -67              |
| <b>Cash flow from investing activities</b>                     | <b>-417</b>       | <b>0</b>          | <b>-417</b>      |
| <b>Cash flow after net investments</b>                         | <b>370</b>        | <b>241</b>        | <b>611</b>       |
| Borrowings   | 970               | 4                 | 974              |
| Repayment of loans   | -931              | -245              | -1,176           |
| Dividend paid to the company's shareholders                    | -483              | -                 | -483             |
| <b>Cash flow from financing activities</b>                     | <b>-444</b>       | <b>-241</b>       | <b>-685</b>      |
| <b>Change in cash and cash equivalents</b>                     | <b>-74</b>        | <b>0</b>          | <b>-74</b>       |

Disclosures in accordance with IAS 34, paragraph 16, are made not only in the financial statements and related notes, but also in other parts of this interim report.

## Note 2 Fair value of financial instruments

Derivative instruments such as interest rate swaps and forward exchange contracts are used to manage Bilia's interest rate risk. They should only be used to meet the requirements on minimising risk in a cost-effective manner as prescribed by the finance policy. The carrying amount of financial instruments is a reasonable approximation of fair value.

**Fair value is determined on the basis of the following three levels:**

Level 1: according to prices quoted on an active market for the same instrument.

Level 2: based on directly or indirectly observable market inputs other than those included in level 1.

Level 3: according to inputs not based on observable market data.

Currency derivatives are recognised as financial assets and liabilities and are measured at fair value in accordance with Level 2. The value of the currency derivatives is not material and does not constitute a significant item in the Consolidated Statement of Financial Position. Measurement of the currency derivatives at fair value has resulted in a cost of SEK 0.5 M that is matched by a revenue stemming from revaluation of assets in foreign currencies. The effect on the Group's profit is SEK 0 M.

### Calculation of fair value

The fair value of currency derivatives is determined on the basis of market rates. If such rates are not available, the fair value is calculated by discounting the difference between the contracted forward rate and the forward rate that can be obtained on the balance sheet date for the remaining contract period.



## Note 3 Revenues and costs that affect comparability

“Structural costs” during 2019 relate to expenses for relocation of operations in Sweden and expenses for reducing employees. “Structural costs” during 2018 primarily relate to expenses for reducing employees. “Acquisition-related costs and value adjustments” pertain to costs for the acquisition of operations.

| SEK M   | Second quarter |            | First six months |            | July 18 -  | Full year  |
|---|----------------|------------|------------------|------------|------------|------------|
|   | 2019           | 2018       | 2019             | 2018       | June 19    | 2018       |
| <b>The Group</b>                                  |                |            |                  |            |            |            |
| Operational earnings                              | 306            | 299        | 544              | 517        | 1,061      | 1,034      |
| - Gain from sale of operation                     | 0              | 0          | 0                | 0          | 0          | 0          |
| - Structural costs etc.                           | -2             | -6         | -4               | -8         | -4         | -8         |
| - Acquisition-related costs and value adjustments | 0              | -1         | -2               | -2         | -6         | -6         |
| - Amortisation of surplus values                  | -24            | -18        | -47              | -37        | -87        | -77        |
| <b>Operating profit</b>                           | <b>280</b>     | <b>274</b> | <b>491</b>       | <b>470</b> | <b>964</b> | <b>943</b> |

| SEK M   | Second quarter |            | First six months |            | July 18 -  | Full year  |
|---|----------------|------------|------------------|------------|------------|------------|
|   | 2019           | 2018       | 2019             | 2018       | June 19    | 2018       |
| <b>The Group</b>                                  |                |            |                  |            |            |            |
| Operational earnings, excluding IFRS 16           | 296            | 299        | 523              | 517        | 1,040      | 1,034      |
| - Gain from sale of operation                     | 0              | 0          | 0                | 0          | 0          | 0          |
| - Structural costs etc.                           | -2             | -6         | -4               | -8         | -4         | -8         |
| - Acquisition-related costs and value adjustments | 0              | -1         | -2               | -2         | -6         | -6         |
| - Amortisation of surplus values                  | -24            | -18        | -47              | -37        | -87        | -77        |
| <b>Operating profit, excluding IFRS 16</b>        | <b>270</b>     | <b>274</b> | <b>470</b>       | <b>470</b> | <b>943</b> | <b>943</b> |

## Note 4 Group's operating segments

30 June 2019

| SEK M   | Service      | Car           | Fuel       | Total         | Segment reconciliation | Group         |
|---|--------------|---------------|------------|---------------|------------------------|---------------|
| <b>Net turnover</b>                                 |              |               |            |               |                        |               |
| External sales                                      | 2,751        | 10,868        | 669        | 14,288        | 12                     | 14,300        |
| Internal sales                                      | 703          |               |            | 703           | -703                   | -             |
| <b>Total net turnover</b>                           | <b>3,454</b> | <b>10,868</b> | <b>669</b> | <b>14,991</b> | <b>-691</b>            | <b>14,300</b> |
| Depreciation/amortisation                           | -186         | -355          | -2         | -543          | -27                    | -570          |
| <b>Operational earnings/Operating profit/loss</b>   | <b>435</b>   | <b>126</b>    | <b>17</b>  | <b>578</b>    | <b>-87</b>             | <b>491</b>    |
| Interest income                                     |              |               |            |               |                        | 12            |
| Interest expenses                                   |              |               |            |               |                        | -78           |
| Shares in profits of associated companies           |              | 18            |            | 18            |                        | 18            |
| <b>Profit before tax</b>                            |              |               |            |               |                        | <b>443</b>    |
| Tax expense for the period                          |              |               |            |               |                        | -86           |
| <b>Net profit for the period</b>                    |              |               |            |               |                        | <b>357</b>    |
| <b>Revenue and costs that affect comparability:</b> |              |               |            |               |                        |               |
| - Profit from sale of operation, other              | 0            | 0             |            | 0             |                        | 0             |
| - Structural costs etc.                             | -2           | -2            |            | -4            |                        | -4            |
| - Acquisition-related costs and value adjustments   | -1           | -1            |            | -2            |                        | -2            |
| - Amortisation of surplus values                    | -24          | -23           |            | -47           |                        | -47           |
| <b>Total</b>  | <b>-27</b>   | <b>-26</b>    | <b>-</b>   | <b>-53</b>    | <b>-</b>               | <b>-53</b>    |
| <b>Assets</b>                                       |              |               |            |               |                        |               |
| Interests in associated companies                   |              | 410           |            | 410           |                        | 410           |
| Deferred tax assets                                 |              |               |            |               |                        | 96            |
| Other assets  |              |               |            |               |                        | 14,205        |
| <b>Total assets</b>                                 |              |               |            |               |                        | <b>14,711</b> |
| Investments in non-current assets                   | 38           | 1,010         | 2          | 1,050         | 60                     | 1,110         |
| <b>Liabilities</b>                                  |              |               |            |               |                        |               |
| Equity  |              |               |            |               |                        | 2,842         |
| Liabilities   |              |               |            |               |                        | 11,869        |
| <b>Total liabilities and equity</b>                 |              |               |            |               |                        | <b>14,711</b> |

| SEK M   | Service      |            |                | Car          |              |                |
|---|--------------|------------|----------------|--------------|--------------|----------------|
|   | Sweden       | Norway     | Western Europe | Sweden       | Norway       | Western Europe |
| <b>Turnover</b>                                     |              |            |                |              |              |                |
| External sales                                      | 1,750        | 657        | 344            | 6,221        | 2,857        | 1,790          |
| Internal sales                                      | 448          | 211        | 44             |              |              |                |
| <b>Total turnover</b>                               | <b>2,198</b> | <b>868</b> | <b>388</b>     | <b>6,221</b> | <b>2,857</b> | <b>1,790</b>   |
| Depreciation/amortisation                           | -108         | -49        | -29            | -273         | -54          | -28            |
| <b>Operational earnings</b>                         | <b>291</b>   | <b>108</b> | <b>36</b>      | <b>99</b>    | <b>32</b>    | <b>-5</b>      |
| Shares in profits of associated companies           |              |            |                | 18           |              |                |
| <b>Revenue and costs that affect comparability:</b> |              |            |                |              |              |                |
| - Profit from sale of operation, other              |              |            |                |              |              |                |
| - Structural costs etc.                             | -2           |            |                | -2           |              |                |
| - Acquisition-related costs and value adjustments   | -1           |            |                |              |              | -1             |
| - Amortisation of surplus values                    | -6           | -5         | -13            | -6           | -6           | -11            |
| <b>Total</b>  | <b>-9</b>    | <b>-5</b>  | <b>-13</b>     | <b>-8</b>    | <b>-6</b>    | <b>-12</b>     |
| Interests in associated companies                   |              |            |                | 410          |              |                |
| Investments in non-current assets                   | 14           | 21         | 3              | 781          | 219          | 10             |

| SEK M                        | Revenues from customers | Non-current assets |
|------------------------------|-------------------------|--------------------|
| <b>Geographical segments</b> |                         |                    |
| Sweden                       | 8,649                   | 7,089              |
| Norway                       | 3,517                   | 2,252              |
| Germany                      | 632                     | 137                |
| Luxembourg                   | 696                     | 638                |
| Belgium                      | 806                     | 651                |
| Segment reconciliation       | 0                       | -1,600             |
| <b>Total</b>                 | <b>14,300</b>           | <b>9,167</b>       |

### 30 June 2018

| SEK M   | Service      | Car           | Fuel       | Total         | Segment reconciliation | Group         |
|---|--------------|---------------|------------|---------------|------------------------|---------------|
| <b>Net turnover</b>                                 |              |               |            |               |                        |               |
| External sales                                      | 2,571        | 12,095        | 631        | 15,297        | 10                     | 15,307        |
| Internal sales                                      | 687          |               |            | 687           | -687                   | -             |
| <b>Total net turnover</b>                           | <b>3,258</b> | <b>12,095</b> | <b>631</b> | <b>15,984</b> | <b>-677</b>            | <b>15,307</b> |
| Depreciation/amortisation                           | -55          | -253          | -2         | -310          | -21                    | -331          |
| <b>Operational earnings/Operating profit/loss</b>   | <b>378</b>   | <b>148</b>    | <b>20</b>  | <b>546</b>    | <b>-76</b>             | <b>470</b>    |
| Interest income                                     |              |               |            |               |                        | 2             |
| Interest expenses                                   |              |               |            |               |                        | -33           |
| Shares in profits of associated companies           |              | 19            |            | 19            |                        | 19            |
| <b>Profit before tax</b>                            |              |               |            |               |                        | <b>458</b>    |
| Tax expense for the period                          |              |               |            |               |                        | -96           |
| <b>Net profit for the period</b>                    |              |               |            |               |                        | <b>362</b>    |
| <b>Revenue and costs that affect comparability:</b> |              |               |            |               |                        |               |
| - Profit from sale of operation, other              | 0            | 0             |            | 0             |                        | 0             |
| - Structural costs etc.                             | -4           | -4            |            | -8            |                        | -8            |
| - Acquisition-related costs and value adjustments   | -1           | -1            |            | -2            |                        | -2            |
| - Amortisation of surplus values                    | -18          | -19           |            | -37           |                        | -37           |
| <b>Total</b>  | <b>-23</b>   | <b>-24</b>    | <b>-</b>   | <b>-47</b>    | <b>-</b>               | <b>-47</b>    |
| <b>Assets</b>                                       |              |               |            |               |                        |               |
| Interests in associated companies                   |              | 419           |            | 419           |                        | 419           |
| Deferred tax assets                                 |              |               |            |               |                        | 72            |
| Other assets  |              |               |            |               |                        | 11,158        |
| <b>Total assets</b>                                 |              |               |            |               |                        | <b>11,649</b> |
| Investments in non-current assets                   | 46           | 927           | 4          | 977           | 46                     | 1,023         |
| <b>Liabilities</b>                                  |              |               |            |               |                        |               |
| Equity  |              |               |            |               |                        | 2,600         |
| Liabilities   |              |               |            |               |                        | 9,049         |
| <b>Total liabilities and equity</b>                 |              |               |            |               |                        | <b>11,649</b> |

| SEK M   | Service      |            |                | Car          |              |                |
|---|--------------|------------|----------------|--------------|--------------|----------------|
|   | Sweden       | Norway     | Western Europe | Sweden       | Norway       | Western Europe |
| <b>Turnover</b>                                     |              |            |                |              |              |                |
| External sales                                      | 1,700        | 588        | 283            | 7,335        | 3,386        | 1,374          |
| Internal sales                                      | 416          | 232        | 39             |              |              |                |
| <b>Total turnover</b>                               | <b>2,116</b> | <b>820</b> | <b>322</b>     | <b>7,335</b> | <b>3,386</b> | <b>1,374</b>   |
| Depreciation/amortisation                           | -32          | -10        | -13            | -222         | -18          | -13            |
| <b>Operational earnings</b>                         | <b>248</b>   | <b>93</b>  | <b>37</b>      | <b>122</b>   | <b>38</b>    | <b>-12</b>     |
| Shares in profits of associated companies           |              |            |                | 19           |              |                |
| <b>Revenue and costs that affect comparability:</b> |              |            |                |              |              |                |
| - Profit from sale of operation, other              |              |            |                |              |              |                |
| - Structural costs etc.                             | -2           | -1         | -1             | -2           | 0            | -2             |
| - Acquisition-related costs and value adjustments   | -1           | 0          |                |              | -1           |                |
| - Amortisation of surplus values                    | -6           | -4         | -8             | -6           | -4           | -9             |
| <b>Total</b>  | <b>-9</b>    | <b>-5</b>  | <b>-9</b>      | <b>-8</b>    | <b>-5</b>    | <b>-11</b>     |
| Interests in associated companies                   |              |            |                | 419          |              |                |
| Investments in non-current assets                   | 37           | 7          | 2              | 705          | 213          | 9              |

| SEK M                        | Revenues from customers | Non-current assets |
|------------------------------|-------------------------|--------------------|
| <b>Geographical segments</b> |                         |                    |
| Sweden                       | 9,673                   | 5,520              |
| Norway                       | 3,977                   | 1,107              |
| Germany                      | 538                     | 82                 |
| Luxembourg                   | 675                     | 625                |
| Belgium                      | 444                     | 275                |
| Segment reconciliation       | 0                       | -1,596             |
| <b>Total</b>                 | <b>15,307</b>           | <b>6,013</b>       |

## Note 5 Acquisitions

On 1 April 2019 Bilia acquired Jensen & Scheele Bil AS, a Volvo dealer in Norway. Operations are run from three facilities in Halden, Østfold south of Oslo, and comprise a complete Volvo facility, a bodyshop and a facility for sales of used cars including a service workshop. The business has an annual turnover of about SEK 370 M, with an operating margin of about 3.5 per cent per year. The purchase consideration was SEK 50 M. The entire purchase consideration was paid in cash.

The acquisition brings Bilia further facilities in an attractive area, from which the company will offer customers high-quality service. The expertise and experience of the operation will help to further strengthen and develop Bilia in Norway.

The operation has about 55 employees and will continue to be conducted from the present-day facilities.

Acquisition-related expenses amounting to SEK 0.8 M consist of fees to consultants for due diligence and have been recognized as "Other operating expenses".

### Effects of the acquisition

The acquisition has the following effect on the Group's assets and liabilities.

## Acquiree's preliminary net assets at the acquisition date:

| SEK M  | Jensen & Scheele Bil AS |
|--|-------------------------|
| Intangible assets  | 46                      |
| Property, plant and equipment                                      | 165                     |
| Long-term investments  | 0                       |
| Deferred tax asset   | 1                       |
| Inventories  | 52                      |
| Trade receivables and other receivables                            | 14                      |
| Cash and cash equivalents  | 2                       |
| Interest-bearing liabilities                                       | 22                      |
| Trade payables and other liabilities                               | 199                     |
| Deferred tax liability   | 9                       |
| <b>Net identifiable assets and liabilities</b>                     | <b>50</b>               |
| Consolidated goodwill  | -                       |
| <b>Net identifiable assets and liabilities, including goodwill</b> | <b>50</b>               |
| Purchase consideration paid  | 50                      |
| Less: Cash and cash equivalents in acquired operation              | -2                      |
| <b>Net effect on cash and cash equivalents</b>                     | <b>48</b>               |

Acquired customer relations totalling SEK 46 M are recognised as intangible assets. These customer relations will be amortised over 10 years.

The acquisition of an authorised service business in Furubakken, Norway in 2019 did not have a material effect on the Group, which is why the acquisition analysis was not reported.

## Note 6 Specification of interest-bearing net debt/receivable and EBITDA

### Specification of interest-bearing net debt/receivable

| SEK M   | 30 June<br>2019 | 31 December<br>2018 | 30 June<br>2018 |
|---|-----------------|---------------------|-----------------|
| Current interest-bearing liabilities                                      | 959             | 776                 | 855             |
| Non-current interest-bearing liabilities                                  | 1,527           | 1,582               | 1,240           |
| Lease liabilities IFRS 16   | 2,522           | -                   | -               |
| Cash and cash equivalents   | -245            | -314                | -149            |
| Interest-bearing assets   | 0               | -                   | -1              |
| Interests in associated companies   | -410            | -441                | -419            |
| <b>Net debt(+)/receivable(-) at end of period/year</b>                    | <b>4,353</b>    | <b>1,603</b>        | <b>1,526</b>    |
| <b>Net debt(+)/receivable(-) at end of period/year, excluding IFRS 16</b> | <b>1,831</b>    | <b>1,603</b>        | <b>1,526</b>    |

## The ratio of net debt to EBITDA

| SEK M  | 30 June<br>2019 | 31 December<br>2018 | 30 June<br>2018 |
|--|-----------------|---------------------|-----------------|
| Operational earnings   | 544             | 1,034               | 517             |
| Operational earnings, excluding IFRS 16  | 523             | 1,034               | 517             |
| Total depreciation/amortisation  | 570             | 678                 | 331             |
| -amortisation of surplus values  | -47             | -77                 | -37             |
| -depreciation of right-of-use assets   | -225            | -                   | -               |
| -depreciation of leased vehicles with repurchase agreements                    | -172            | -366                | -181            |
| Depreciation/amortisation added back   | 351             | 235                 | 113             |
| Depreciation/amortisation added back, excluding IFRS 16                        | 126             | 235                 | 113             |
| <b>EBITDA</b>  | <b>895</b>      | <b>1,269</b>        | <b>630</b>      |
| <b>EBITDA, excluding IFRS 16</b>   | <b>649</b>      | <b>1,269</b>        | <b>630</b>      |
| The ratio of net debt to EBITDA rolling 12 months, times                       | 2.8             | 1.3                 | 1.2             |
| The ratio of net debt to EBITDA rolling 12 months, times,<br>excluding IFRS 16 | 1.4             | 1.3                 | 1.2             |

# Accounts - Parent Company

## Income Statement for Parent Company

| SEK M   | Second quarter |            | First six months |            | July 18 -  | Full year  |
|---|----------------|------------|------------------|------------|------------|------------|
|   | 2019           | 2018       | 2019             | 2018       | June 19    | 2018       |
| Net turnover  | 130            | 118        | 260              | 236        | 509        | 485        |
| Administrative expenses   | -152           | -140       | -299             | -273       | -581       | -555       |
| <b>Operating loss <sup>1)</sup></b>                                   | <b>-22</b>     | <b>-22</b> | <b>-39</b>       | <b>-37</b> | <b>-72</b> | <b>-70</b> |
| <i>Result from financial items</i>                                    |                |            |                  |            |            |            |
| Income from interests in Group companies                              | 128            | 69         | 128              | 69         | 116        | 57         |
| Interest income from Group companies                                  | 15             | 14         | 30               | 27         | 49         | 46         |
| Other interest income and similar line items                          | 0              | 0          | 11               | 1          | 10         | 0          |
| Interest expenses to Group companies                                  | 0              | 0          | 0                | 0          | 0          | 0          |
| Interest expenses and similar line items                              | -13            | -10        | -23              | -17        | -39        | -33        |
| <b>Loss after financial items</b>                                     | <b>108</b>     | <b>51</b>  | <b>107</b>       | <b>43</b>  | <b>64</b>  | <b>0</b>   |
| Appropriations  | 0              | 0          | 0                | 0          | 573        | 573        |
| <b>Profit before tax</b>  | <b>108</b>     | <b>51</b>  | <b>107</b>       | <b>43</b>  | <b>637</b> | <b>573</b> |
| Tax   | 4              | 0          | 5                | -2         | -105       | -112       |
| <b>Net profit for the year</b>  | <b>112</b>     | <b>51</b>  | <b>112</b>       | <b>41</b>  | <b>532</b> | <b>461</b> |
| <sup>1)</sup> Straight-line amortisation/depreciation by asset class: |                |            |                  |            |            |            |
| - Intellectual property   | 0              | 0          | 0                | 0          | -1         | -1         |
| - Buildings   | -3             | -2         | -6               | -5         | -11        | -10        |
| - Equipment, tools, fixtures and fittings                             | 0              | 0          | 0                | 0          | 0          | 0          |
| <b>Total</b>  | <b>-3</b>      | <b>-2</b>  | <b>-6</b>        | <b>-5</b>  | <b>-12</b> | <b>-11</b> |

## Balance Sheet for Parent Company, Summary

| SEK M   | 30 June<br>2019 | 31 December<br>2018 | 30 June<br>2018 |
|---|-----------------|---------------------|-----------------|
| <b>Assets</b>                                       |                 |                     |                 |
| <b>Non-current assets</b>                           |                 |                     |                 |
| <b>Intangible assets</b>                            |                 |                     |                 |
| Intellectual property                               | 0               | 0                   | 1               |
|   | <b>0</b>        | <b>0</b>            | <b>1</b>        |
| <b>Property, plant and equipment</b>                |                 |                     |                 |
| Buildings   | 94              | 76                  | 77              |
| Construction in progress                            | 100             | 82                  | 47              |
| Equipment, tools, fixtures and fittings             | 3               | 3                   | 3               |
|   | <b>197</b>      | <b>161</b>          | <b>127</b>      |
| <b>Long-term investments</b>                        |                 |                     |                 |
| Interests in Group companies                        | 1,328           | 1,328               | 1,328           |
| Other securities held as non-current assets         | 1               | 1                   | 0               |
| Deferred tax asset                                  | 50              | 45                  | 42              |
|   | <b>1,379</b>    | <b>1,374</b>        | <b>1,370</b>    |
| <b>Total non-current assets</b>                     | <b>1,576</b>    | <b>1,535</b>        | <b>1,498</b>    |
| <b>Current assets</b>                               |                 |                     |                 |
| <b>Current receivables</b>                          |                 |                     |                 |
| Receivables from Group companies                    | 445             | 1,922               | 13              |
| Other receivables                                   | 174             | 99                  | 144             |
| Cash on hand and demand deposits                    | 973             | 82                  | 1,266           |
| <b>Total current assets</b>                         | <b>1,592</b>    | <b>2,103</b>        | <b>1,423</b>    |
| <b>TOTAL ASSETS</b>                                 | <b>3,168</b>    | <b>3,638</b>        | <b>2,921</b>    |
| <b>Equity and liabilities</b>                       |                 |                     |                 |
| <b>Equity</b>                                       |                 |                     |                 |
| <b>Restricted equity</b>                            |                 |                     |                 |
| Share capital                                       | 257             | 257                 | 257             |
| Statutory reserve                                   | 47              | 47                  | 47              |
|   | <b>304</b>      | <b>304</b>          | <b>304</b>      |
| <b>Non-restricted equity</b>                        |                 |                     |                 |
| Share premium reserve                               | 167             | 167                 | 167             |
| Retained earnings including net profit for the year | 442             | 809                 | 388             |
|   | <b>609</b>      | <b>976</b>          | <b>555</b>      |
| <b>Total equity</b>                                 | <b>913</b>      | <b>1,280</b>        | <b>859</b>      |
| <b>Untaxed reserves</b>                             | <b>727</b>      | <b>727</b>          | <b>622</b>      |
| <b>Provisions</b>                                   |                 |                     |                 |
| Deferred tax liability                              | 5               | 5                   | 5               |
|   | <b>5</b>        | <b>5</b>            | <b>5</b>        |
| <b>Non-current liabilities</b>                      |                 |                     |                 |
| Bond issue  | 1,285           | 1,281               | 1,005           |
| Other liabilities                                   | 5               | 5                   | 5               |
|   | <b>1,290</b>    | <b>1,286</b>        | <b>1,010</b>    |
| <b>Current liabilities</b>                          |                 |                     |                 |
| Liabilities to credit institutes                    | -               | 42                  | 200             |
| Liabilities to Group companies                      | 1               | 63                  | 22              |
| Other liabilities                                   | 232             | 235                 | 203             |
|   | <b>233</b>      | <b>340</b>          | <b>425</b>      |
| <b>TOTAL EQUITY AND LIABILITIES</b>                 | <b>3,168</b>    | <b>3,638</b>        | <b>2,921</b>    |



## Quarterly review - 8 quarters

### The Group

|  | Q3 2017            | Q4 2017            | Q1 2018 | Q2 2018 | Q3 2018 | Q4 2018 | Q1 2019 | Q2 2019 |
|--|--------------------|--------------------|---------|---------|---------|---------|---------|---------|
| <b>Continuing operations</b>                         |                    |                    |         |         |         |         |         |         |
| Net turnover, SEK M                                  | 6,302              | 7,186              | 6,978   | 8,329   | 6,119   | 6,956   | 6,874   | 7,426   |
| Operational earnings, SEK M                          | 200                | 278                | 218     | 299     | 221     | 296     | 238     | 306     |
| Operational margin, %                                | 3.2                | 3.9                | 3.1     | 3.6     | 3.6     | 4.3     | 3.5     | 4.1     |
| Operating profit, SEK M                              | 181                | 258                | 196     | 274     | 201     | 272     | 211     | 280     |
| Operating margin, %                                  | 2.9                | 3.6                | 2.8     | 3.3     | 3.3     | 3.9     | 3.1     | 3.8     |
| Profit before tax, SEK M                             | 176                | 252                | 188     | 270     | 197     | 267     | 192     | 251     |
| The ratio of net debt to EBITDA, times <sup>1)</sup> | 1.1                | 1.0                | 1.3     | 1.2     | 1.1     | 1.3     | 2.9     | 2.8     |
| <b>The Bilia Group</b>                               |                    |                    |         |         |         |         |         |         |
| Profit/loss for the period, SEK M                    | 143                | 184                | 146     | 216     | 158     | 214     | 154     | 203     |
| Return on capital employed, % <sup>1)</sup>          | 24.1               | 23.4               | 21.0    | 20.9    | 21.1    | 20.5    | 18.3    | 16.6    |
| Return on equity, % <sup>1)</sup>                    | 27.3               | 27.0               | 25.2    | 26.6    | 26.6    | 26.5    | 26.1    | 25.7    |
| Equity/assets ratio, %                               | 24                 | 24                 | 25      | 22      | 25      | 24      | 21      | 19      |
| <b>Data per share (SEK) <sup>2)</sup></b>            |                    |                    |         |         |         |         |         |         |
| Earnings/loss for the period                         | 1.40 <sup>3)</sup> | 1.80 <sup>5)</sup> | 1.45    | 2.15    | 1.55    | 2.10    | 1.50    | 2.05    |
| Equity   | 24 <sup>4)</sup>   | 26                 | 28      | 26      | 27      | 29      | 31      | 28      |

<sup>1)</sup> Rolling 12 months.

<sup>2)</sup> Based on number of shares outstanding, 100,950,952.

<sup>3)</sup> Based on weighted average number of shares outstanding during third quarter, 102,326,267.

<sup>4)</sup> Based on number of shares outstanding at 30 September 2017, 101,575,952.

<sup>5)</sup> Based on weighted average number of shares outstanding during fourth quarter, 101,221,876.

### Business area – Service Business

|                                | Q3 2017 | Q4 2017 | Q1 2018 | Q2 2018 | Q3 2018 | Q4 2018 | Q1 2019 | Q2 2019 |
|--------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| Turnover, SEK M                | 1,317   | 1,695   | 1,561   | 1,697   | 1,405   | 1,790   | 1,704   | 1,750   |
| Operational earnings, SEK M    | 128     | 235     | 169     | 209     | 137     | 251     | 218     | 217     |
| Margin, %                      | 9.7     | 13.9    | 10.8    | 12.3    | 9.8     | 14.0    | 12.8    | 12.4    |
| Adjusted turnover, growth in % | 12.0    | 7.1     | 3.1     | 8.2     | 2.1     | 4.3     | 6.4     | 2.0     |

### Business area – Car Business

|   | Q3 2017 | Q4 2017 | Q1 2018 | Q2 2018 | Q3 2018 | Q4 2018 | Q1 2019 | Q2 2019 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|
| Turnover, SEK M                                 | 4,961   | 5,575   | 5,463   | 6,632   | 4,655   | 5,238   | 5,214   | 5,654   |
| Operational earnings, SEK M                     | 75      | 62      | 46      | 102     | 81      | 75      | 24      | 102     |
| Margin, %                                       | 1.5     | 1.1     | 0.9     | 1.5     | 1.7     | 1.4     | 0.5     | 1.8     |
| New cars delivered, number                      | 11,480  | 13,317  | 12,388  | 15,886  | 9,672   | 12,378  | 11,336  | 13,078  |
| Order backlog of new cars, number <sup>1)</sup> | 11,236  | 11,246  | 12,560  | 8,324   | 9,880   | 9,646   | 12,385  | 11,579  |
| Used cars delivered, number                     | 11,701  | 11,486  | 11,904  | 12,698  | 12,358  | 11,153  | 11,956  | 12,906  |

<sup>1)</sup> Figures published Q3 17 - Q1 18 for Western Europe have been corrected.

### Business area – Fuel Business

|                             | Q3 2017 | Q4 2017 | Q1 2018 | Q2 2018 | Q3 2018 | Q4 2018 | Q1 2019 | Q2 2019 |
|-----------------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| Turnover, SEK M             | 284     | 293     | 289     | 342     | 339     | 327     | 307     | 362     |
| Operational earnings, SEK M | 6       | 7       | 14      | 6       | 5       | 5       | 11      | 6       |
| Margin, %                   | 2.3     | 2.3     | 4.8     | 1.8     | 1.5     | 1.4     | 3.6     | 1.5     |

# Quarterly review - 8 quarters, excluding IFRS 16

## The Group

|  | Q3 2017            | Q4 2017            | Q1 2018 | Q2 2018 | Q3 2018 | Q4 2018 | Q1 2019 | Q2 2019 |
|--|--------------------|--------------------|---------|---------|---------|---------|---------|---------|
| <b>Continuing operations</b>                         |                    |                    |         |         |         |         |         |         |
| Net turnover, SEK M                                  | 6,302              | 7,186              | 6,978   | 8,329   | 6,119   | 6,956   | 6,874   | 7,426   |
| Operational earnings, SEK M                          | 200                | 278                | 218     | 299     | 221     | 296     | 227     | 296     |
| Operational margin, %                                | 3.2                | 3.9                | 3.1     | 3.6     | 3.6     | 4.3     | 3.3     | 4.0     |
| Operating profit, SEK M                              | 181                | 258                | 196     | 274     | 201     | 272     | 200     | 270     |
| Operating margin, %                                  | 2.9                | 3.6                | 2.8     | 3.3     | 3.3     | 3.9     | 2.9     | 3.6     |
| Profit before tax, SEK M                             | 176                | 252                | 188     | 270     | 197     | 267     | 200     | 261     |
| The ratio of net debt to EBITDA, times <sup>1)</sup> | 1.1                | 1.0                | 1.3     | 1.2     | 1.1     | 1.3     | 1.1     | 1.4     |
| <b>The Bilia Group</b>                               |                    |                    |         |         |         |         |         |         |
| Profit/loss for the period, SEK M                    | 143                | 184                | 146     | 216     | 158     | 214     | 161     | 210     |
| Return on capital employed, % <sup>1)</sup>          | 24.1               | 23.4               | 21.0    | 20.9    | 21.1    | 20.5    | 20.0    | 19.6    |
| Return on equity, % <sup>1)</sup>                    | 27.3               | 27.0               | 25.2    | 26.6    | 26.6    | 26.5    | 26.4    | 26.1    |
| Equity/assets ratio, %                               | 24                 | 24                 | 25      | 22      | 25      | 24      | 25      | 23      |
| <b>Data per share (SEK) <sup>2)</sup></b>            |                    |                    |         |         |         |         |         |         |
| Earnings/loss for the period                         | 1.40 <sup>3)</sup> | 1.80 <sup>5)</sup> | 1.45    | 2.15    | 1.55    | 2.10    | 1.50    | 2.05    |
| Equity   | 24 <sup>4)</sup>   | 26                 | 28      | 26      | 27      | 29      | 31      | 28      |

<sup>1)</sup> Rolling 12 months.

<sup>2)</sup> Based on number of shares outstanding, 100,950,952.

<sup>3)</sup> Based on weighted average number of shares outstanding during third quarter, 102,326,267.

<sup>4)</sup> Based on number of shares outstanding at 30 September 2017, 101,575,952.

<sup>5)</sup> Based on weighted average number of shares outstanding during fourth quarter, 101,221,876.

## Business area – Service Business, excluding IFRS 16

|                                | Q3 2017 | Q4 2017 | Q1 2018 | Q2 2018 | Q3 2018 | Q4 2018 | Q1 2019 | Q2 2019 |
|--------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| Turnover, SEK M                | 1,317   | 1,695   | 1,561   | 1,697   | 1,405   | 1,790   | 1,704   | 1,750   |
| Operational earnings, SEK M    | 128     | 235     | 169     | 209     | 137     | 251     | 212     | 211     |
| Margin, %                      | 9.7     | 13.9    | 10.8    | 12.3    | 9.8     | 14.0    | 12.4    | 12.1    |
| Adjusted turnover, growth in % | 12.0    | 7.1     | 3.1     | 8.2     | 2.1     | 4.3     | 6.4     | 2.0     |

## Business area – Car Business, including IFRS 16

|   | Q3 2017 | Q4 2017 | Q1 2018 | Q2 2018 | Q3 2018 | Q4 2018 | Q1 2019 | Q2 2019 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|
| Turnover, SEK M                                 | 4,961   | 5,575   | 5,463   | 6,632   | 4,655   | 5,238   | 5,214   | 5,654   |
| Operational earnings, SEK M                     | 75      | 62      | 46      | 102     | 81      | 75      | 20      | 97      |
| Margin, %                                       | 1.5     | 1.1     | 0.9     | 1.5     | 1.7     | 1.4     | 0.4     | 1.7     |
| New cars delivered, number                      | 11,480  | 13,317  | 12,388  | 15,886  | 9,672   | 12,378  | 11,336  | 13,078  |
| Order backlog of new cars, number <sup>1)</sup> | 11,236  | 11,246  | 12,560  | 8,324   | 9,880   | 9,646   | 12,385  | 11,579  |
| Used cars delivered, number                     | 11,701  | 11,486  | 11,904  | 12,698  | 12,358  | 11,153  | 11,956  | 12,906  |

<sup>1)</sup> Figures published Q3 17 - Q1 18 for Western Europe have been corrected.

## Definitions and performance measures

Bilia applies guidelines from ESMA (European Securities and Markets Authority) concerning alternative performance measures (APMs). Even though these performance measures are not defined or specified by IFRSs, Bilia believes that they provide valuable information to investors and Bilia's management as a complement to IFRSs for assessing Bilia's performance.

**Return on equity** Net profit for the year in relation to average equity.

**Return on capital employed** Operating profit plus interest expense included in the business and financial income in relation to average capital employed.

**Amortisation of surplus values** Occurs in connection with acquisitions of operations and is recognised under intangible assets. Normally these surplus values are amortised over a 10-year period.

**EBITDA** Operational earnings plus total depreciation/amortisation less amortisation of surplus values and depreciation of leased vehicles with repurchase agreements.

**Acquisition-related costs and value adjustments** Pertains to costs for legal consultants and other external costs associated directly with an acquisition, and value adjustments regarding acquired inventory assets, which are depreciated over the turnover rate of the asset.

**IFRS 16** A new reporting standard from 1 January 2019 means that future leased assets are reported as right-of-use assets and financial liabilities in the consolidated statement of financial position. The lease payments for the leased assets are divided into planned depreciation, interest expenses and repayments.

**Adjusted turnover** Net turnover is adjusted for operations that have been acquired or disposed of during one of the periods. Adjustment is also made for exchange rate differences and for calendar effect.

**Comparable operations** Financial information and number of units that are adjusted for operations that have been acquired or disposed of during one of the periods.

**Deliveries** Cars that have been physically turned over to the customer and invoiced and are included in reported net turnover.

**Liquidity** Unutilised credit with Nordea and DNB and cash and cash equivalents.

**Net debt** Net debt consists of interest-bearing liabilities less cash and cash equivalents, interest-bearing current and long-term receivables, interests in associated companies and leased vehicles, long-term.

**The ratio of net debt to EBITDA** Net debt in relation to EBITDA.

**Operating cash flow** Cash flow from operating activities plus investments in and disposals of intangible assets and property, plant and equipment.

**Operational margin** Operational earnings in relation to net turnover. For the business areas the operational margin is called “Margin”.

**Operational earnings** Operating profit, excluding revenues and costs that affect comparability between accounting periods and/or operating segments. They include, but are not limited to, acquisition-related expenses, value adjustments, restructurings and amortisation of surplus values. For the business areas operational earnings are the only result measurement.

**Order backlog** New cars ordered by the customer but not yet delivered.

**Gain from sale of operation** Difference between purchase consideration and the operation’s consolidated carrying amount, less selling costs.

**Operating margin** Operating profit in relation to net turnover.

**Equity/assets ratio** Equity in relation to balance sheet total.

**Structural costs** Costs that significantly alter the thrust and/or scope of the operation. Examples of structural costs may be costs for reducing the number of employees and costs for vacating a leased facility before the expiration of the lease.

**Capital employed** Balance sheet total less non-interest-bearing current liabilities and provisions as well as deferred tax liabilities.

**Growth** Increase or decrease of net turnover in relation to the preceding year.

**Underlying values** Values that are adjusted for operations that have been acquired or disposed of during one of the periods. Adjustment is made for exchange rate differences, where applicable.

Reconciliation of performance measures can be found at [biliasite.com/en/finances/#!15623/finances/performance-measures/](https://biliasite.com/en/finances/#!15623/finances/performance-measures/).

## Additional Bilia disclosures

### Press and analyst meeting

On Thursday, 25 July 2019, Bilia is hosting press and analyst meetings where Managing Director and CEO Per Avander and CFO Kristina Franzén will present the interim report and answer questions. There will be a meeting in Swedish at 10:00 AM and a meeting in English at 13:00 PM. These are telephone meetings and the telephone number for phoning in is +46 (0)8 22 90 90, code 674445.

### Contact

#### **For further information please contact:**

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Kristina Franzén, CFO, +46 (0)10 497 73 40, [kristina.franzen@bilias.se](mailto:kristina.franzen@bilias.se)

### Calendar

Interim report July-September 2019: 25 October 2019

Year-end report for full year 2019: 12 February 2020

Interim report January-March 2020: 29 April 2020

### Audit

This report has not been subjected to special examination by the auditors.

### Prospective information

Prospective information in this report is based on management's expectations at the time of the report. Even if the Board of Directors and management find the expectations to be reasonable, there is no guarantee that these expectations are or will turn out to be correct. Consequently, future outcomes may vary considerably compared with those foreseen in the prospective information due to such circumstances as a changed market situation for the Group's services or more generally changed conditions relating to the economy, markets and competition, changes in legal requirements and other political measures, as well as fluctuations in exchange rates. The company does not undertake to update or correct such prospective information other than what is stipulated by law.

## Declaration

This interim report provides a true and fair summary of the Parent Company's and Group's activities, financial position and results of operations while describing significant risks and uncertainties faced by the Parent Company and the companies included in the Group.

Gothenburg, 25 July 2019

Mats Qviberg  
*Chairman*

Jan Pettersson  
*Deputy chairman*

Ingrid Jonasson Blank  
*Board member*

Gunnar Blomkvist  
*Board member*

Anna Engebretsen  
*Board member*

Eva Eriksson  
*Board member*

Jack Forsgren  
*Board member*

Mats Holgerson  
*Board member*

Nicklas Paulson  
*Board member*

Jon Risfelt  
*Board member*

Dragan Mitrasinovic  
*Board member appointed  
by employee organisation*

Patrik Nordvall  
*Board member appointed  
by employee organisation*

Per Avander  
*Managing Director*

Gothenburg, 25 July 2019  
Bilia AB (publ)  
Board of Directors and Managing Director

This is information that Bilia AB (publ) is obliged to make public pursuant to the EU's Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, on 25 July 2019, at 08:30 AM CET.



**Bilia** is one of Europe's largest car dealership chains, with a leading position in servicing and sales of cars and transport vehicles plus supplementary services such as financing and insurance. Bilia has 137 facilities in Sweden, Norway, Germany, Luxembourg and Belgium plus two online auction sites, one in Sweden and one in Norway.

**Bilia's Service Business** comprises a well-developed range of services and service concepts that are continuously developed to simplify car ownership for the customers. The Service Business comprises workshop services, spare parts, store sales and e-commerce.

**Bilia's Car Business** comprises sales of both new and used cars and transport vehicles, plus supplementary services such as financing and insurance. Bilia sells cars from Volvo, BMW, Toyota, Renault, Lexus, MINI and Dacia and transport vehicles from Renault, Toyota and Dacia.

**Bilia's Fuel Business** comprises fuel sales and car washes.



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