



## Third quarter 2020

### Strong results for the Service Business and used cars

#### Third quarter 2020

- Net turnover amounted to SEK 7,559 M (6,805), an increase of 11 per cent.
- Operational earnings amounted to SEK 402 M (280), an increase of 44 per cent.
- The improvement in profit was mainly attributable to the Service Business and high demand for used cars. The operation in Norway reported an increase in profit of a full SEK 75 M.
- Profit for the period amounted to SEK 281 M (188) and earnings per share to SEK 2.80 (1.85).
- Operating cash flow amounted to SEK 1,148 M (473) and was positively affected by significantly lower working capital.

#### Nine months 2020

- Net turnover amounted to SEK 21,786 M (21,105).
- Operational earnings amounted to SEK 1,016 M (824).
- Profit for the period amounted to SEK 661 M (545) and earnings per share to SEK 6.60 (5.40).
- Operating cash flow amounted to SEK 2,877 M (1,152).

#### Events after the balance sheet date

- Since the end of the quarter, the spread of COVID-19 has increased in the countries where we operate, and it remains an uncertainty for the fourth quarter.

SEK M	Third quarter		Nine months		Oct. 19 - Sept. 20	Full year 2019
	2020	2019	2020	2019		
<b>The Group</b>						
Net turnover	7,559	6,805	21,786	21,105	30,189	29,508
Operational earnings <sup>1)</sup>	402	280	1,016	824	1,431	1,239
Operational margin, %	5.3	4.1	4.7	3.9	4.7	4.2
Operating profit	375	264	923	755	1,293	1,125
Operating margin, %	5.0	3.9	4.2	3.6	4.3	3.8
Profit before tax	353	237	838	680	1,172	1,014
Net profit for the period/year	281	188	661	545	923	807
Earnings per share, SEK <sup>2)</sup>	2.80	1.85	6.60	5.40	9.20	8.00

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

<sup>2)</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

Once again, higher result than last year

- New record result for used cars
- Continued strong Service Business
- High order backlog for new cars



### Results for the third quarter

We reported far higher operational earnings than last year, which can be attributed to both the Service Business and the Car Business. Operational earnings improved by as much as SEK 122 M to SEK 402 M. Profit from sales of used cars amounted to SEK 137 M, which was a new record for a quarter and SEK 44 M higher than last year. Profit for the Service Business amounted to SEK 237 M, which was SEK 42 M higher than last year. Norway reported its best ever quarterly results and accounted for as much as SEK 75 M of the Group's improved results for the quarter. The order backlog for new cars was the highest ever, amounting to 14,492 cars, which was around 2,700 cars more than at the year-end and just over 1,600 cars more than at the end of the second quarter. Operating cash flow was strong and amounted to SEK 1,148 M.

### Some signs of recovery and normalisation

All 136 facilities in the countries where we operate have been open during the third quarter. Our focus has been on running our operations as normal with special safety measures for our customers and employees.

We have seen some signs of business recovery in the countries where we operate. During the quarter we have seen strong demand for used cars and I am proud to announce the highest profit ever for a quarter, a full SEK 44 M or 47 per cent higher than our previous record for sales of used cars. Deliveries of new cars increased by 7 per cent during the quarter as car production returned to normal. Demand in the Service Business has also been good, mainly in Norway where adjusted turnover increased by almost 18 per cent compared with last year. We have also had a surprisingly strong order intake in Norway, an increase of a full 47 per cent, which means the Norwegian order backlog for new cars at the end of the third quarter was almost double compared with last year's figure. Order intake for the Swedish operation during the quarter was on a par with last year, and particularly gratifying the order intake was higher at the end of the quarter. The car is a more important mode of transport at a time when travel by air, rail and public transport is restricted due to COVID-19.

During the third quarter, the focus on liquidity and costs has continued, but at a more normalised level than during the COVID-19 restrictions earlier in the year. Operating cash flow for the quarter was strong, we had a good financial position and unused credit at DNB and Nordea. Adjusted for divested operations, we had approximately 390 employees fewer at the end of the third quarter than at the end of last year. We have utilised the financial support packages on offer for COVID-19, funded fully or partly by the government, to a very limited extent. The Group's personnel expenses decreased by SEK 11 M during the third quarter. For the operation in Sweden, no support has been entered as income.

We have continued to focus on the safety of our customers and employees, and we are striving for a more normal situation based on the new conditions that we are all living with every day. I am proud of what we have achieved together at Bilia and I would like to thank all of our employees who have contributed greatly to the improved profits we present for the third quarter.

Per Avander, Managing Director and CEO

## Group results

### Net turnover and earnings

#### Third quarter 2020

**Net turnover** amounted to SEK 7,559 M (6,805). For comparable operations and adjusted for exchange rate fluctuations, net turnover increased by approximately 13 per cent.

**Operating profit** amounted to SEK 375 M (264). Operating profit for the third quarter 2020 includes structural costs of SEK 5 M for relocating an operation in Sweden and personnel reductions. **Operational earnings** amounted to SEK 402 M (280). The operational margin was 5.3 per cent (4.1).

**The Service Business** reported a profit that was SEK 42 M or 22 per cent higher than last year. Adjusted turnover for the Service Business in Sweden and Norway increased by 6 per cent, mainly due to turnover in Norway which increased by approximately 18 per cent. The increase in Norway is partly explained by services for Polestar cars started up during the third quarter. In Western Europe, adjusted turnover fell by approximately 17 per cent, mainly attributable to lower sales of spare parts compared with last year. All in all, adjusted turnover for the Group increased by almost 4 per cent. The number of working days compared with last year was the same for all countries, with the exception of Luxembourg which had one more.

**The Car Business** reported figures that were SEK 83 M higher than last year, attributable to sales of used and new cars of SEK 44 M and SEK 39 M respectively.

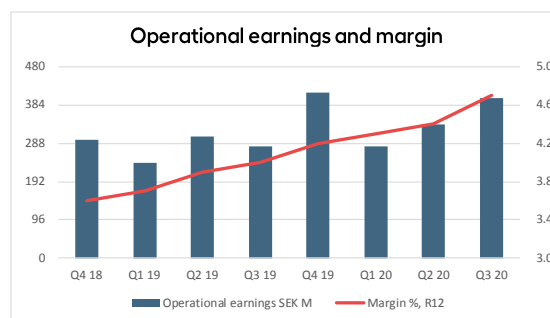
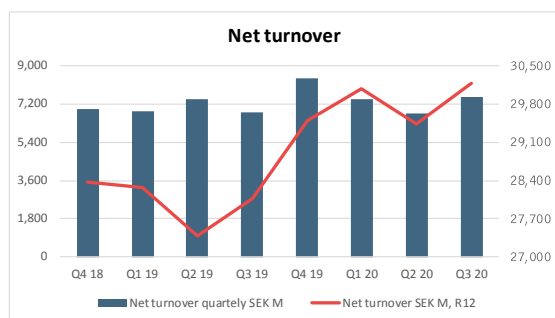
**The Fuel Business** reported a profit that was SEK 3 M higher than last year.

Cost-cutting measures have continued during the third quarter, but at a more normalised level than during the initial spread of COVID-19 during the second quarter. The company utilised the opportunity to furlough employees where business had been adversely affected by the COVID-19 pandemic, to only a very limited extent during the third quarter. All 136 facilities in the countries where we operate have been open and we have run normal operations during the quarter, but with special measures to reduce the risk of further spreading the virus.

The Group's personnel expenses decreased by SEK 5 M during the third quarter due to furloughs. The result for the third quarter does not include any financial support for furloughs in Sweden. Support for furloughs in Sweden, mainly for the second quarter, has been applied for but no decision on approval has been received. Applied support in Sweden is estimated at approximately SEK 5 M. Temporary rules have been introduced for all Norwegian companies as regards social security contributions, which reduced personnel expenses for the Norwegian operation by SEK 6 M during the third quarter compared to last year.

As a result of the profit level and customer satisfaction during the quarter, a provision totalling SEK 7 M (10) was made for employee bonuses in Sweden.

The Group's underlying overheads were around 2 per cent lower compared with last year. Overheads amounted to 10.8 per cent of net turnover, which was 1.8 percentage points lower than last year.



The operation in Sweden reported a profit of SEK 268 M (223). The margin was 6.1 per cent (5.5). The higher profit was attributable to both the Car Business, mainly sales of new cars, and the Service Business with SEK 27 M and SEK 15 M respectively.

The operation in Norway reported a profit of SEK 123 M (48). The margin was 6.3 per cent (2.6). The far higher profit was attributable to both the Car Business and the Service Business with SEK 51 M and SEK 24 M respectively. Sales of used cars reported a profit that was SEK 38 M higher than last year.

The operation in Western Europe reported a profit of SEK 24 M (16). The margin was 2.0 per cent (1.7). The higher profit was attributable to both the Service Business and the Car Business.

Operating loss for the Parent Company amounted to SEK 19 M (loss 12) during the third quarter, and was positively affected by cost savings and negatively affected by approximately SEK 10 M on revaluation of endowment policies for pensions.

**Profit for the period** amounted to SEK 281 M (188). Earnings per share amounted to SEK 2.80 (1.85). Exchange rate fluctuations impacted the period's results negatively by SEK 8 M compared to last year.

The **number of employees** decreased by 58 during the third quarter and amounted to 4,562. Compared to last year the number of employees fell by 368, and adjusted for divested operations the number fell by 342.

## Nine months 2020

**Net turnover** amounted to SEK 21,786 M (21,105). For comparable operations and adjusted for exchange rate fluctuations, net turnover was 4 per cent higher than last year.

**Operating profit** amounted to SEK 923 M (755). Operating profit for the first nine months 2020 includes structural costs of SEK 24 M for personnel reductions and relocating an operation in Sweden. **Operational earnings** amounted to SEK 1,016 M (824). The operational margin was 4.7 per cent (3.9).

**The Service Business** reported a profit that was SEK 151 M or 24 per cent higher than last year. Adjusted turnover increased by just under 4 per cent for Sweden and Norway and by just over 1 per cent for the Group as a whole. For Western Europe, the adjusted turnover for the Service Business decreased by around 24 per cent. The significantly lower turnover in Western Europe is mainly attributable to fully or partially closed operations over eight weeks during the first six months of 2020, due to the COVID-19 pandemic. There were two more working days in Norway and Luxembourg, compared to last year, while other countries had one more working day.

**The Car Business** reported profits that were SEK 31 M higher than last year, attributable to sales of both new and used cars.

**The Fuel Business** reported a profit that was SEK 1 M lower than last year, and this was mainly attributable to lower volumes.

Cost-cutting measures were taken during the first nine months, and mainly the second quarter, to mitigate the effects of the COVID-19 pandemic. Consultants, temporary employees and trial employment have ceased, and at the end of the third quarter there were about 390 fewer employees than at the end of last year, adjusted for divested operations.

The company utilised the opportunity to furlough employees where business had been adversely affected by the COVID-19 pandemic, mainly during the period from April to June. The Group's personnel expenses decreased by SEK 30 M due to furloughs. Temporary rules have been introduced for all Swedish and Norwegian companies as regards sick pay and/or social security contributions, which reduced personnel expenses for the Swedish and Norwegian operations by SEK 11 M and SEK 6 M respectively compared to last year.

As a result of the profit level and customer satisfaction, a provision totalling SEK 21 M (24) was made for employee bonuses in Sweden.

The Group's underlying overheads were around 5 per cent lower compared with last year. Overheads amounted to 11.8 per cent of net turnover, which was 1.3 percentage points lower than last year.

The operation in Sweden reported a profit of SEK 766 M (630). The margin was 5.8 per cent (5.0). The higher profit was mainly attributable to growth, a higher gross profit margin and lower costs in the Service Business.

The operation in Norway reported a profit of SEK 268 M (188). The margin was 4.7 per cent (3.5). The higher result was attributable to both the Service Business and the Car Business and can mainly be explained by a higher underlying turnover, but also by a higher gross profit margin in the Service Business.

The operation in Western Europe reported a profit of SEK 12 M (47). The margin was 0.4 per cent (1.5). The poorer performance was related to both the Service Business and the Car Business, and can mainly be attributed to the eight weeks of business closures due to COVID-19 restrictions. Operating loss for the Parent Company over the nine months amounted to SEK 43 M (loss: 51) and was positively affected by lower costs compared with last year.

**Profit for the period** amounted to SEK 661 M (545). Earnings per share amounted to SEK 6.60 (5.40). Exchange rate fluctuations impacted the period's results negatively by approximately SEK 15 M.

The **number of employees** decreased by 416 during the first nine months of the year and amounted to 4,562. Adjusted for divested operations, the number of employees decreased by 387.

#### Net turnover by geographic market

SEK M	Third quarter		Nine months		Oct. 19 - Sept. 20	Full year 2019
	2020	2019	2020	2019		
Sweden	4,418	4,060	13,300	12,697	18,414	17,811
Norway	1,945	1,829	5,651	5,346	7,831	7,526
Western Europe	1,191	910	2,817	3,044	3,919	4,146
Parent Company, other	5	6	18	18	25	25
<b>Total</b>	<b>7,559</b>	<b>6,805</b>	<b>21,786</b>	<b>21,105</b>	<b>30,189</b>	<b>29,508</b>

#### Operational earnings by geographic market

SEK M	Third quarter		Nine months		Oct. 19 - Sept. 20	Full year 2019
	2020	2019	2020	2019		
Sweden	268	223	766	630	1,086	950
Norway	123	48	268	188	357	277
Western Europe	24	16	12	47	56	91
Parent Company, other	-13	-7	-30	-41	-68	-79
<b>Total</b>	<b>402</b>	<b>280</b>	<b>1,016</b>	<b>824</b>	<b>1,431</b>	<b>1,239</b>

#### Margin by geographic market

Per cent	Third quarter		Nine months		Oct. 19 - Sept. 20	Full year 2019
	2020	2019	2020	2019		
Sweden	6.1	5.5	5.8	5.0	5.9	5.3
Norway	6.3	2.6	4.7	3.5	4.6	3.7
Western Europe	2.0	1.7	0.4	1.5	1.4	2.2
Parent Company, other	-	-	-	-	-	-
<b>Total</b>	<b>5.3</b>	<b>4.1</b>	<b>4.7</b>	<b>3.9</b>	<b>4.7</b>	<b>4.2</b>

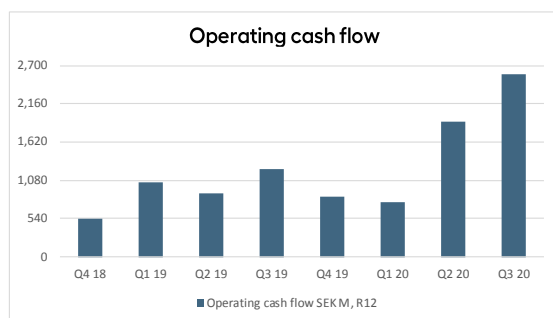
## Net financial items and tax

**Net financial items** for the third quarter amounted to SEK -22 M (-27).

**Tax** for the third quarter amounted to SEK -72 M (-49), and the effective tax rate was 20 per cent (21).

## Operating cash flow

**Operating cash flow** for the third quarter amounted to SEK 1,148 M (473). The strong operating cash flow was mainly attributable to lower net working capital. After acquisitions and divestments of operations and changes in financial assets, cash flow for the third quarter amounted to SEK 1,145 M (472).



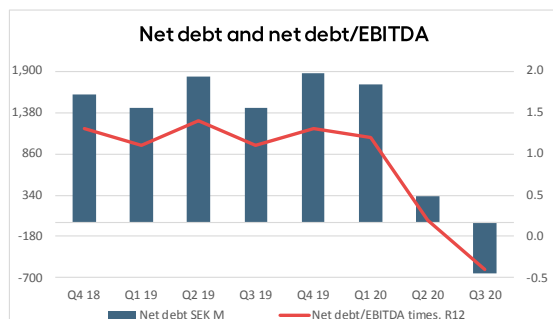
## Financial position

The **balance sheet total** decreased by SEK 611 M during 2020 and amounted to SEK 15,470 M. The decrease was mainly attributable to lower operating assets, mainly inventories.

**Equity** increased by SEK 600 M during 2020, amounting to SEK 3,786 M.

The **equity/assets ratio** amounted to 24 per cent (21).

**Net debt** decreased by SEK 2,525 M during 2020 and amounted to SEK 1,968 M. The decrease is primarily attributable to the strong cash flow during the year. Excluding lease liabilities attributable to IFRS 16, net debt amounted was positive and amounted to SEK -643 M, a decrease of SEK 2,516 M since December 2019. The ratio of net debt to EBITDA excluding IFRS 16 was -0.4 times (minus due to positive net debt) compared with 1.3 times in the previous year. The improvement is mainly explained by a withdrawn dividend payment to shareholders, as well as the strong cash flow during the year.



Excluding IFRS 16

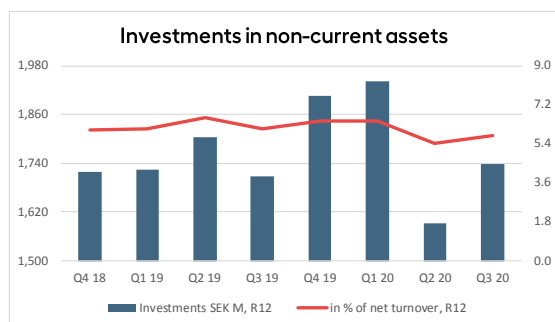
Liquidity remained good, and at the end of the third quarter a receivable from the banks (Nordea and DNB) of SEK 1,954 M was reported (receivable: 294). Bilia's combined credit limit with Nordea and DNB amounts to SEK 1,500 M.

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

**Acquisitions of non-current assets** during the third quarter amounted to SEK 34 M (54) **excluding lease vehicles** and SEK 372 M (225) **including lease vehicles**. Replacement investments represented SEK 8 M (9), expansion investments SEK 14 M (19), environmental investments SEK 0 M (11), investments in new construction and additions to properties SEK 7 M (5), finance leases SEK 5 M (10) and lease vehicles SEK 338 M (171).

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

SEK M	Third quarter		Nine months		Oct. 19 - Sept. 20	Full year 2019
	2020	2019	2020	2019		
Sweden	360	184	941	981	1,415	1,455
Norway	12	13	171	253	219	301
Western Europe	-10	8	12	21	43	52
Parent Company, other	10	20	43	80	61	98
<b>Total</b>	<b>372</b>	<b>225</b>	<b>1,167</b>	<b>1,335</b>	<b>1,738</b>	<b>1,906</b>



Excluding right-of-use assets

## Notable events

### Events during the third quarter

- On 20 August Bilia concluded an agreement to acquire Jönköpings Bildemontering AB, Ecris AB and the property company that owns the property in which the two companies' operations are run. In recent years, the acquired operations have reported average turnover of around SEK 140 M and an average operating margin of around 15 per cent. The number of employees amounts to approximately 80. The Bilia Group's capital employed and net debt are expected to increase by around SEK 200 M due to the acquisition, and the property company is estimated to account for around SEK 90 M of this. Bilia is scheduled to take over the operations on 1 November 2020.
- On 1 September it was announced that Bilia's subsidiary, Netbil Begagnat AB, has opened a new facility for sales of used cars in Skövde. Another new facility will open in Västerås in November. These two facilities are part of Bilia's strategic focus on sales of used cars, encompassing a total of seven new facilities.



## Events during the first half of the year

- Bilia's Group Management was expanded by four people to include Elin Delvert, HR Director, Magnus Karlsson, CIO, Mathias Nilsson, MD of Bilia Personbilar AB, Sweden and Anders Rydheimer, Director of Marketing, Communication and Digital. Bilia's Group Management already includes Per Avander, Managing Director and CEO, Stefan Nordström, Deputy Managing Director, Kristina Franzén, CFO, and Frode Hebnes, Managing Director of Bilia Personbil AS, Norway.
- Bilia refinanced its current loan and credit facilities of SEK 1.5 billion, with ordinary maturity during the third quarter of 2020. The new credit facilities amount to SEK 1.5 billion, of which SEK 900 M in revolving loans and SEK 600 M in overdraft facilities under essentially unaltered conditions. The revolving loans have a duration of three years with the potential for a one-year extension, plus one year subject to the creditors' approval. DNB and Nordea are the lenders.
- On 24 March 2020 the Board of Bilia AB decided, due to the spread of COVID-19, to postpone the AGM until a later date. The proposal to pay a dividend will be reviewed prior to the meeting. Nine of Bilia's 135 facilities were closed completely in line with government decisions. In Sweden and Norway, all the facilities were open.
- Prior to the company's 2020 AGM on 22 June, the Board of Directors of Bilia AB decided to withdraw its previous proposal for an ordinary dividend of SEK 5.25 per share, to be paid on two occasions. The Nominating Committee of Bilia AB revised its previous proposal to the 2020 AGM and proposed unchanged Board fees compared to 2019, with the exception of the fee to the newly formed Property Committee.

## Events after the balance sheet date

- On 1 October, Bilia repurchased SEK 370 M of the SEK 500 M of total outstanding unsecured bond loans with ordinary maturity in March 2021 at a price of 100.9 per cent. At the same time, a new senior unsecured bond loan was issued to a value of SEK 500 M. The new bond loan has a variable interest rate on STIBOR 3-months plus 170 basis points and has a final maturity in October 2025.
- Since the end of the quarter, the spread of the COVID-19 virus has increased in the countries where we operate. The high degree of uncertainty still renders it impossible to estimate the impact on the financial results for the fourth quarter of 2020.
- No other significant events have occurred since the end of the quarter.

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

## Service Business

Strong demand in Norway and a focus on costs in the Service Business contributed to strong results for the third quarter

### Third quarter 2020

- Turnover amounted to SEK 1,558 M (1,570), a decrease of 1 per cent.
- Operational earnings amounted to SEK 237 M (195).
- The margin was 15.2 per cent (12.4).

### Nine months 2020

- Turnover amounted to SEK 4,976 M (5,024).
- Operational earnings amounted to SEK 781 M (630).
- The margin was 15.7 per cent (12.5).

## Turnover and earnings

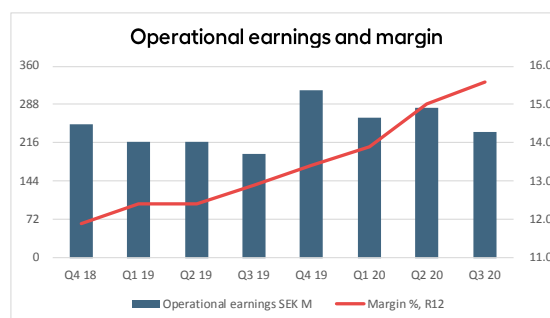
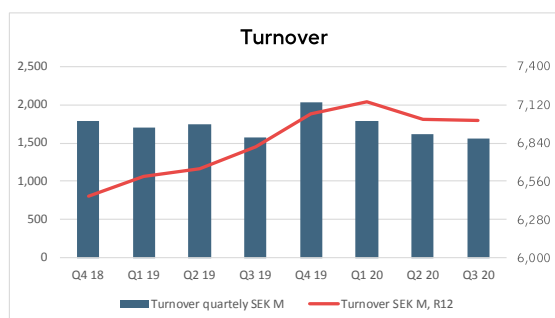
### Third quarter 2020

During the third quarter, the adjusted turnover for the Service Business in Sweden and Norway increased by 6 per cent compared with last year. Reported turnover for Norway was adversely impacted by exchange rate fluctuations. In Western Europe, adjusted turnover fell by approximately 17 per cent, mainly attributable to lower sales of spare parts. Adjusted turnover for the Group increased by almost 4 per cent during the quarter. The number of working days compared with last year was the same for all countries, with the exception of Luxembourg which had one more.

Growth in the Service Business						
	Third quarter			Nine months		
Per cent	Sweden	Norway	Total	Sweden	Norway	Total
<i>Change from last year</i>						
Reported turnover	0.6	4.3	1.7	3.0	-0.4	2.0
Underlying turnover	0.2	17.8	6.0	2.5	8.7	4.3
Calendar effect	0.0	0.0	0.0	-0.5	-1.1	-0.7
<b>Adjusted turnover</b>	<b>0.2</b>	<b>17.8</b>	<b>6.0</b>	<b>2.0</b>	<b>7.6</b>	<b>3.6</b>

Operational earnings during the third quarter improved by SEK 42 M or 22 per cent compared with last year. The improved profit was mainly attributable to good demand for workshop services and lower costs. The margin also improved from 12.4 to 15.2 per cent.

In Sweden operational earnings amounted to SEK 160 M (145), which can mainly be attributed to higher gross profit and lower costs. In Norway operational earnings amounted to SEK 61 M (37), which can mainly be attributed to higher turnover and lower relative costs. In Norway, adjusted turnover for the third quarter increased by as much as 17.8 per cent compared with last year. The increase in Norway is partly explained by services for Polestar cars started up during the third quarter. In Western Europe operational earnings amounted to SEK 16 M (13), which can mainly be attributed to higher turnover and a higher gross profit margin for workshop services.



At the end of the third quarter, the number of customers with service subscriptions amounted to 118,000 (110,000) compared with our long-term goal of 130,000. The number of wheels stored on behalf of our customers amounted to 362,000 (314,000) compared with 600,000, which has been our long-term goal since last year.

#### Turnover by geographic market

SEK M	Third quarter		Nine months		Oct. 19 - Sept. 20	Full year 2019
	2020	2019	2020	2019		
Sweden	975	969	3,261	3,167	4,536	4,442
Norway	428	410	1,272	1,278	1,780	1,786
Western Europe	155	191	443	579	688	824
<b>Total</b>	<b>1,558</b>	<b>1,570</b>	<b>4,976</b>	<b>5,024</b>	<b>7,004</b>	<b>7,052</b>

#### Operational earnings by geographic market

SEK M	Third quarter		Nine months		Oct. 19 - Sept. 20	Full year 2019
	2020	2019	2020	2019		
Sweden	160	145	567	436	805	674
Norway	61	37	180	145	240	205
Western Europe	16	13	34	49	51	66
<b>Total</b>	<b>237</b>	<b>195</b>	<b>781</b>	<b>630</b>	<b>1,096</b>	<b>945</b>

#### Margin by geographic market

Per cent	Third quarter		Nine month		Oct. 19 - Sept. 20	Full year 2019
	2020	2019	2020	2019		
Sweden	16.5	15.0	17.4	13.8	17.7	15.2
Norway	14.2	9.0	14.1	11.4	13.5	11.5
Western Europe	10.1	6.5	7.5	8.3	7.4	8.1
<b>Total</b>	<b>15.2</b>	<b>12.4</b>	<b>15.7</b>	<b>12.5</b>	<b>15.6</b>	<b>13.4</b>

## Car Business

New record results for sales of used cars and a continued high order backlog for new cars

### Third quarter 2020

- Turnover amounted to SEK 6,049 M (5,233), a decrease of 16 per cent.
- Operational earnings amounted to SEK 169 M (86).
- The margin was 2.8 per cent (1.6).

### Nine months 2020

- Turnover amounted to SEK 16,989 M (16,101).
- Operational earnings amounted to SEK 243 M (212).
- The margin was 1.4 per cent (1.3).

## Turnover and earnings

### Third quarter 2020

The Car Business's deliveries of new and used cars during the third quarter were 7 per cent and 8 per cent higher respectively compared with last year.

The order intake of new cars for the Group, adjusted for comparable operations, was 7 per cent higher than last year, mainly due to Norway, which had a 49 per cent increase in its underlying order intake. In Sweden the order intake was almost on a par with last year's, following improved orders at the end of the quarter. The order backlog amounted to 14,492 cars, which was just over 1,600 cars more than at the half-year point, and just over 2,700 more than at the end of last year. This is the highest recorded order backlog at the end of a quarter.

New cars by geographic market

Number of	Deliveries				Order backlog	
	Third quarter		Nine months		30 Sept	30 Sept
	2020	2019	2020	2019	2020	2019
Sweden	6,873	6,496	20,419	23,069	7,900	9,421
Norway	1,730	1,962	5,291	6,395	4,658	2,387
Western Europe	1,947	1,400	4,339	4,808	1,934	1,275
<b>Total</b>	<b>10,550</b>	<b>9,858</b>	<b>30,049</b>	<b>34,272</b>	<b>14,492</b>	<b>13,083</b>

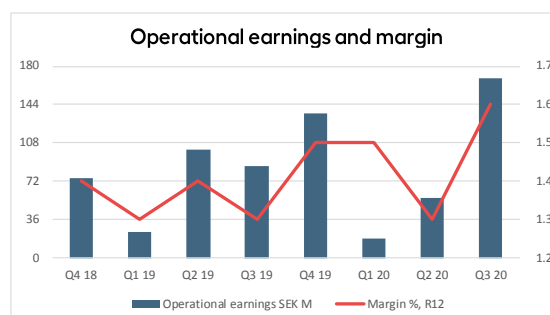
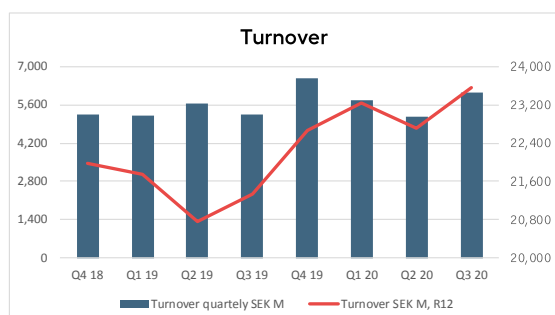
Used cars by geographic market

Number of	Deliveries					
	Third quarter		Nine months		Oct. 19 -	Full year
	2020	2019	2020	2019	Sept. 20	2019
Sweden	8,917	8,713	26,859	25,174	35,666	33,981
Norway	3,282	2,865	9,265	8,193	11,710	10,638
Western Europe	1,798	1,387	4,038	4,460	5,323	5,745
<b>Total</b>	<b>13,997</b>	<b>12,965</b>	<b>40,162</b>	<b>37,827</b>	<b>52,699</b>	<b>50,364</b>

Adjusted for comparable operations and exchange rate fluctuations, turnover during the third quarter was approximately 17 per cent higher than last year. Turnover was positively affected by a higher average selling price attributable to the mixture of brands and models of the delivered cars.

Operational earnings from sales of used cars amounted to SEK 137 M (93), the highest ever operational earnings for a quarter. The higher profit was attributable to higher turnover, a higher gross profit margin and lower relative costs compared with last year. The turnover rate of inventories of used cars has remained a priority and was at a high level. Stocks of used cars continued to fall during the third quarter, and were at low a level.

Operational earnings from sales of new cars amounted to SEK 32 M (-7). The higher figure was mainly attributable to higher turnover and lower costs.



Operational earnings for the Car Business in Sweden amounted to SEK 99 M (72). The higher figure was mainly attributable to higher turnover and lower costs from sales of new cars. Profit from sales of used cars amounted to SEK 77 M (72). The higher profit was primarily attributable to higher turnover. The number of used cars in stock was at low a level at the end of the quarter.

Operational earnings for the Car Business in Norway amounted to SEK 62 M (11). The higher figure was mainly attributable to higher turnover and a higher gross profit margin from sales of used cars. Profit from sales of used cars amounted to SEK 58 M (20). The number of used cars in stock was at low a level at the end of the quarter.

Operational earnings for the Car Business in Western Europe amounted to SEK 8 M (3). The higher figure was attributable to higher sales of new and used cars and is primarily explained by a higher turnover. During the third quarter, cars were delivered that could not be delivered before because during the second quarter the operation was partially closed for six weeks due to the COVID-19 pandemic. Profit from sales of used cars amounted to SEK 2 M (1).

#### Turnover by geographic market

SEK M	Third quarter		Nine months		Oct. 19 - Sept. 20	Full year 2019
	2020	2019	2020	2019		
Sweden	3,361	2,963	9,858	9,184	13,726	13,052
Norway	1,625	1,532	4,687	4,389	6,502	6,204
Western Europe	1,063	738	2,444	2,528	3,338	3,422
<b>Total</b>	<b>6,049</b>	<b>5,233</b>	<b>16,989</b>	<b>16,101</b>	<b>23,566</b>	<b>22,678</b>

#### Operational earnings by geographic market

SEK M	Third quarter		Nine months		Oct. 19 - Sept. 20	Full year 2019
	2020	2019	2020	2019		
Sweden	99	72	177	171	257	251
Norway	62	11	88	43	117	72
Western Europe	8	3	-22	-2	5	25
<b>Total</b>	<b>169</b>	<b>86</b>	<b>243</b>	<b>212</b>	<b>379</b>	<b>348</b>

#### Margin by geographic market

Per cent	Third quarter		Nine months		Oct. 19 - Sept. 20	Full year 2019
	2020	2019	2020	2019		
Sweden	3.0	2.4	1.8	1.9	1.9	1.9
Norway	3.9	0.7	1.9	1.0	1.8	1.2
Western Europe	0.8	0.4	-0.9	-0.1	0.1	0.7
<b>Total</b>	<b>2.8</b>	<b>1.6</b>	<b>1.4</b>	<b>1.3</b>	<b>1.6</b>	<b>1.5</b>

## Fuel Business

### Lower sales volumes but higher gross profit margin

#### Third quarter 2020

- Turnover amounted to SEK 287 M (338), a decrease of 15 per cent.
- Operational earnings amounted to SEK 9 M (6).
- The margin was 2.9 per cent (1.9).

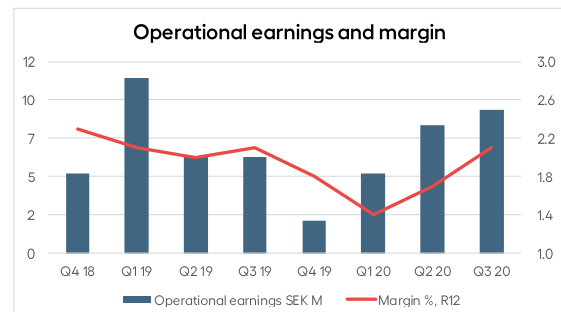
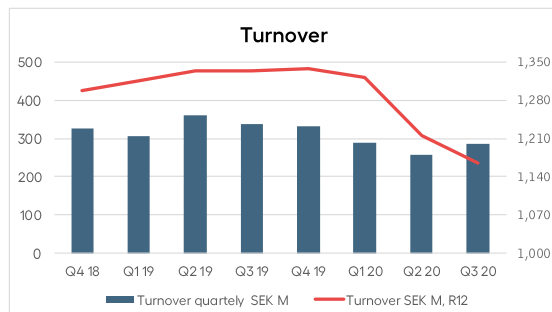
#### Nine months 2020

- Turnover amounted to SEK 834 M (1,007).
- Operational earnings amounted to SEK 22 M (23).
- The margin was 2.6 per cent (2.3).

### Turnover and earnings

#### Third quarter 2020

The Fuel Business is concentrated mainly to Sweden and profit for the third quarter amounted to SEK 9 M (6). Profit during the third quarter was impacted negatively by lower sales volumes, but positively by a higher gross profit margin and lower costs. Since travel by air, rail and public transport is restricted by the COVID-19 pandemic, the car is to become an increasingly important mode of transport.



#### Turnover

SEK M	Third quarter		Nine months		Oct. 19 - Sept. 20	Full year
	2020	2019	2020	2019		
Total	287	338	834	1,007	1,165	1,338

#### Operational earnings

SEK M	Third quarter		Nine months		Oct. 19 - Sept. 20	Full year
	2020	2019	2020	2019		
Total	9	6	22	23	24	25

#### Margin

Per cent	Third quarter		Nine months		Oct. 19 - Sept. 20	Full year
	2020	2019	2020	2019		
Total	2.9	1.9	2.6	2.3	2.1	1.8

## 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. Events such as natural disasters and pandemics can have significant impacts on Bilia's turnover and profit due to a lack of product availability, economic downturn or effects on in-house production.

The ongoing COVID-19 situation, which was classed by the World Health Organization (WHO) as a pandemic in March 2020, could have a negative impact on business in 2020 as a whole, depending on how it develops during the fourth quarter. As announced in this interim report, since the outbreak we have seen a severe drop in order intake for new cars, mainly in Sweden and Western Europe. The high degree of uncertainty about the spread of COVID-19 and future actions from customers and/or authorities means that it's not possible to exclude a future significant impact also on other activities such as sales of used cars and the Service Business. The high degree of uncertainty means that it's not possible to estimate the impact on financial results during the full year 2020.

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 conduct, 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 of the operation.
- Risks related to alternative sales channels, as Bilia currently conducts its business mainly through its own facilities, and to a limited extent via digital channels. If general agents or manufacturers with which Bilia works were to move to their own sales channels, this would have an adverse impact on Bilia's business.
- 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 2019 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 91 of the 2019 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	Third quarter		Nine months		Oct. 19 -	Full year
	2020	2019	2020	2019	Sept. 20	2019
Net turnover	7,559	6,805	21,786	21,105	30,189	29,508
Costs of goods sold	-6,365	-5,692	-18,278	-17,590	-25,276	-24,588
<b>Gross profit</b>	<b>1,194</b>	<b>1,113</b>	<b>3,508</b>	<b>3,515</b>	<b>4,913</b>	<b>4,920</b>
Other operating income	0	8	3	14	13	24
Selling and administrative expenses	-809	-857	-2,557	-2,762	-3,595	-3,800
Other operating expenses	-10	0	-31	-12	-38	-19
<b>Operating profit <sup>1)</sup></b>	<b>375</b>	<b>264</b>	<b>923</b>	<b>755</b>	<b>1,293</b>	<b>1,125</b>
Financial income	1	1	2	13	1	12
Financial expenses	-36	-38	-118	-116	-166	-164
Profit from shares in associated companies	13	10	31	28	44	41
<b>Profit before tax</b>	<b>353</b>	<b>237</b>	<b>838</b>	<b>680</b>	<b>1,172</b>	<b>1,014</b>
Tax	-72	-49	-177	-135	-249	-207
<b>Net profit for the period</b>	<b>281</b>	<b>188</b>	<b>661</b>	<b>545</b>	<b>923</b>	<b>807</b>
<b>Other comprehensive income/loss</b>						
<i>Items that can be reclassified to profit or loss</i>						
Translation differences attributable to foreign operations	-5	4	-67	59	-95	31
<b>Other comprehensive income/loss after tax</b>	<b>-5</b>	<b>4</b>	<b>-67</b>	<b>59</b>	<b>-95</b>	<b>31</b>
<b>Comprehensive income for the period</b>	<b>276</b>	<b>192</b>	<b>594</b>	<b>604</b>	<b>828</b>	<b>838</b>
<b>Net profit for the period attributable to:</b>						
Parent Company's shareholders	281	188	661	545	923	807
<b>Comprehensive income for the period attributable to:</b>						
Parent Company's shareholders	276	192	594	604	828	838
<b>Weighted average number of shares, '000:</b>						
- before dilution	100,134	100,951	100,134	100,951	100,247	100,859
- after dilution	100,233	101,053	100,232	101,054	100,345	100,957
Basic earnings/loss per share, SEK	2.80	1.85	6.60	5.40	9.20	8.00
Diluted earnings/loss per share, SEK	2.80	1.85	6.60	5.40	9.20	8.00
Weighted average number of own shares, '000	2,666	1,849	2,666	1,849	2,553	1,941
<b>1) Straight-line amortisation/depreciation by asset class:</b>						
- Intellectual property	-30	-31	-91	-92	-121	-122
- Land and buildings	-15	-17	-47	-44	-78	-75
- Equipment, tools, fixtures and fittings	-29	-27	-85	-82	-101	-98
- Leased vehicles	-94	-98	-286	-300	-386	-400
- Right-of-use assets	-109	-116	-336	-341	-446	-451
<b>Total</b>	<b>-277</b>	<b>-289</b>	<b>-845</b>	<b>-859</b>	<b>-1,132</b>	<b>-1,146</b>

## Consolidated Statement of Financial Position, Summary

SEK M	30 September 2020	31 December 2019	30 September 2019
<b>Assets</b>			
<b>Non-current assets</b>			
<b>Intangible assets</b>			
Intellectual property	550	636	675
Goodwill	828	847	872
	<b>1,378</b>	<b>1,483</b>	<b>1,547</b>
<b>Property, plant and equipment</b>			
Land and buildings	761	779	744
Construction in progress	66	42	88
Equipment, tools, fixtures and fittings	474	518	507
Leased vehicles	2,934	3,130	3,167
Right-of-use assets	2,660	2,682	2,511
	<b>6,895</b>	<b>7,151</b>	<b>7,017</b>
<b>Long-term investments</b>			
Financial investments <sup>1)</sup>	462	441	430
Long-term receivables <sup>2)</sup>	3	1	1
	<b>465</b>	<b>442</b>	<b>431</b>
Deferred tax assets	113	110	97
<b>Total non-current assets</b>	<b>8,851</b>	<b>9,186</b>	<b>9,092</b>
<b>Current assets</b>			
Inventories, merchandise	3,086	4,571	3,706
<b>Current receivables</b>			
Other receivables <sup>1)</sup>	1,330	2,088	1,386
Cash and cash equivalents <sup>2)</sup>	2,203	236	485
<b>Total current assets</b>	<b>6,619</b>	<b>6,895</b>	<b>5,577</b>
<b>TOTAL ASSETS</b>	<b>15,470</b>	<b>16,081</b>	<b>14,669</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	257	257	257
Other contributed capital	167	167	167
Reserves	-43	24	52
Retained earnings including net profit for the year	3,405	2,738	2,557
<b>Total equity</b>	<b>3,786</b>	<b>3,186</b>	<b>3,033</b>
<b>Non-current liabilities</b>			
Bond issue <sup>3)</sup>	795	1,289	1,287
Interest-bearing liabilities <sup>4)</sup>	181	203	240
Lease liabilities <sup>4)</sup>	2,230	2,214	2,015
Other liabilities and provisions	2,235	2,259	2,216
	<b>5,441</b>	<b>5,965</b>	<b>5,758</b>
<b>Current liabilities</b>			
Bond issue <sup>4)</sup>	500	-	-
Interest-bearing liabilities <sup>4)</sup>	536	1,040	959
Lease liabilities <sup>4)</sup>	381	406	415
Other liabilities and provisions	4,826	5,484	4,604
	<b>6,243</b>	<b>6,930</b>	<b>5,978</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>15,470</b>	<b>16,081</b>	<b>14,769</b>
<b>Assets</b>			
<sup>1)</sup> Of which interest-bearing	454	433	420
<sup>2)</sup> Interest-bearing	2,206	237	486
<b>Liabilities</b>			
<sup>3)</sup> Of which interest-bearing	800	1,300	1,300
<sup>4)</sup> Interest-bearing	3,828	3,863	3,629

## Statement of Changes in Group Equity, Summary

SEK M	30 September 2020	31 December 2019	30 September 2019
Opening balance	3,186	2,915	2,915
Cash dividend to shareholders	-	-483	-483
Incentive programme	3	1	1
Buy-back of own shares	-	-79	-
Revaluation of put option	3	-6	-4
Comprehensive income for the year	594	838	604
<b>Equity at end of period</b>	<b>3,786</b>	<b>3,186</b>	<b>3,033</b>

## Consolidated Statement of Cash Flows

SEK M	Third quarter		Nine months		Oct. 19 - Sept. 20	Full year 2019
	2020	2019	2020	2019		
<b>Operating activities</b>						
Profit before tax	353	237	838	680	1,172	1,014
Depreciation and impairment losses	282	289	850	859	1,218	1,227
Other items not affecting cash	-6	-30	-34	19	-31	22
Tax paid	-64	-48	-140	-240	-181	-281
Change in inventories	210	-6	1,413	422	459	-532
Change in operating receivables	40	140	663	50	48	-565
Change in operating liabilities	478	-22	-431	-202	323	552
<b>Cash flow from operating activities</b>	<b>1,293</b>	<b>560</b>	<b>3,159</b>	<b>1,588</b>	<b>3,008</b>	<b>1,437</b>
<b>Investing activities</b>						
Acquisition of non-current assets (intangible and tangible)	-34	-54	-141	-172	-215	-246
Disposal of non-current assets (intangible and tangible)	5	27	12	40	25	53
Acquisition of leased vehicles	-338	-171	-1,026	-1,163	-1,523	-1,660
Disposal of leased vehicles	222	111	873	859	1,285	1,271
<i>Operating cash flow</i>	<i>1,148</i>	<i>473</i>	<i>2,877</i>	<i>1,152</i>	<i>2,580</i>	<i>855</i>
Investment in financial assets	-3	-1	-4	-4	-6	-6
Disposal of financial assets	0	0	2	2	5	5
Acquisition of subsidiary/operation, net	0	0	0	-67	-6	-73
Disposal of subsidiary/operation, net	0	0	5	0	5	0
<b>Cash flow from investing activities</b>	<b>-148</b>	<b>-88</b>	<b>-279</b>	<b>-505</b>	<b>-430</b>	<b>-656</b>
<b>Cash flow after net investments</b>	<b>1,145</b>	<b>472</b>	<b>2,880</b>	<b>1,083</b>	<b>2,578</b>	<b>781</b>
<b>Financing activities</b>						
Borrowings	91	147	596	1,117	913	1,434
Repayment of loans	-34	-268	-1,095	-1,168	-1,165	-1,238
Repayment of lease liabilities	-17	-16	-51	-47	-68	-64
Repayment of lease liabilities IFRS 16	-124	-97	-317	-338	-411	-432
Buy-back of own shares	0	0	0	0	-79	-79
Dividend paid to the company's shareholders	0	0	0	-483	0	-483
<b>Cash flow from financing activities</b>	<b>-84</b>	<b>-234</b>	<b>-867</b>	<b>-919</b>	<b>-810</b>	<b>-862</b>
<b>Change in cash and cash equivalents, excl. translation differences</b>	<b>1,061</b>	<b>238</b>	<b>2,013</b>	<b>164</b>	<b>1,768</b>	<b>-81</b>
Exchange difference in cash and cash equivalents	-46	2	-46	7	-50	3
<b>Change in cash and cash equivalents</b>	<b>1,015</b>	<b>240</b>	<b>1,967</b>	<b>171</b>	<b>1,718</b>	<b>-78</b>
Cash and cash equivalents at start of period	1,188	245	236	314	485	314
Cash and cash equivalents at end of period	2,203	485	2,203	485	2,203	236

Figures for last year have been recalculated bearing in mind classification of IFRS 16 transactions.

## 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 2020

New or revised IFRS to be used in future are not expected to have any material effect on the consolidated financial statements.

When operations have been adversely affected by the pandemic in the first six months of 2020, the Group has utilised the opportunity to furlough employees, in line with the regulations in each country of operation. The financial effect of furloughing employees is recognised as a decrease in personnel expenses. The decrease in personnel expenses is recognised when the application is final and it is deemed that the conditions for utilising furlough have been fully met and the furlough action, based on prevailing regulations, is expected to be approved by the authority in each country.

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 revenue of SEK 0 M that is matched by a cost 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, and financial support for the effects of COVID-19

Structural costs during 2020 relate to severance solutions of SEK 15 M in Sweden, SEK 3 M in Norway and SEK 3 M in Western Europe, and SEK 3 M for relocating an operation in Sweden. "Gain from sale of property" during 2019 relate to a facility in Sweden which has been used in the Car Business and the Service Business. Structural costs during 2019 relate to expenses for relocation of operations in Sweden and expenses for reducing employees. "Acquisition-related costs and value adjustments" pertain to costs for the acquisition of operations. Amortisation/impairment losses of surplus values in 2019 included a one-off write-down of intangible assets in Germany, Western Europe, which amounted to SEK 20 M.

SEK M	Third quarter		Nine months		Oct. 19 -	Full year
	2020	2019	2020	2019	Sept. 20	2019
<b>The Group</b>						
Operational earnings	402	280	1,016	824	1,431	1,239
- Gain from sale of property	0	8	0	8	0	8
- Structural costs etc.	-5	0	-24	-4	-24	-4
- Acquisition-related costs and value adjustments	0	0	0	-2	-1	-3
- Amortisation/impairment losses of surplus values	-22	-24	-69	-71	-113	-115
<b>Operating profit</b>	<b>375</b>	<b>264</b>	<b>923</b>	<b>755</b>	<b>1,293</b>	<b>1,125</b>

In the first nine months of 2020, the opportunity to furlough employees, in line with the regulations in our countries of operation, has been utilised when operations have been adversely affected by the COVID-19 pandemic. During the second quarter, an average of around 400 people were wholly or partially furloughed from their jobs, mainly in Western Europe where operations have been wholly or partially closed following government decisions. During the third quarter, the opportunity to furlough employees was used to only a very limited extent.

Lower personnel expenses after furloughing employees are recognized in operational earnings and in operating profit, and amounted to SEK 5 M in the third quarter; SEK 4 M of this related to Western Europe and SEK 1 M to Norway. No financial support for furloughing employees was recognised in Sweden for the third quarter or the first nine months of the year. Support for furloughing employees in Sweden has been applied for but has not yet been approved by the authorities. Applied support is estimated at approximately SEK 5 M. Temporary rules on social security contributions have been introduced for all Norwegian companies, which reduced personnel expenses for the Norwegian operation by SEK 6 M during the third quarter compared to last year.

Personnel expenses decreased by SEK 30 M due to furloughs in the first nine months of the year; SEK 20 M of this related to Western Europe and SEK 10 M to Norway. Temporary rules have been introduced for all Swedish and Norwegian companies as regards sick pay and/or social security contributions, which reduced personnel expenses for the Swedish and Norwegian operations by SEK 11 M and SEK 6 M respectively during the first nine months of the year compared to last year.

## Note 4 Group's operating segments

30 September 2020

SEK M	Service	Car	Fuel	Total	Segment reconciliation	Group
<b>Net turnover</b>						
External sales	3,945	16,989	834	21,768	18	21,786
Internal sales	1,031			1,031	-1,031	-
<b>Total net turnover</b>	<b>4,976</b>	<b>16,989</b>	<b>834</b>	<b>22,799</b>	<b>-1,013</b>	<b>21,786</b>
Depreciation/amortisation	-289	-501	-4	-794	-51	-845
<b>Operational earnings/Operating profit/loss</b>	<b>781</b>	<b>243</b>	<b>22</b>	<b>1,046</b>	<b>-123</b>	<b>923</b>
Interest income						2
Interest expenses						-118
Profit from shares in associated companies		31		31		31
<b>Profit before tax</b>						<b>838</b>
Tax expense for the period						-177
<b>Net profit for the period</b>						<b>661</b>
<b>Revenue and costs that affect comparability:</b>						
- Profit from sale of property	0	0		0		0
- Structural costs etc.	-13	-8		-21	-3	-24
- Acquisition-related costs and value adjustments	-1	1		0		0
- Amortisation/impairment losses of surplus values	-35	-34		-69		-69
<b>Total</b>	<b>-49</b>	<b>-41</b>	<b>-</b>	<b>-90</b>	<b>-3</b>	<b>-93</b>
<b>Assets</b>						
Shares in associated companies		454		454		454
Deferred tax assets						113
Other assets						14,903
<b>Total assets</b>						<b>15,470</b>
Investments in non-current assets	58	1,059	7	1,124	43	1,167
<b>Liabilities</b>						
Equity						3,786
Liabilities						11,684
<b>Total liabilities and equity</b>						<b>15,470</b>

SEK M	Service			Car		
	Sweden	Norway	Western Europe	Sweden	Norway	Western Europe
<b>Turnover</b>						
External sales	2,608	964	373	9,858	4,687	2,444
Internal sales	653	308	70			
<b>Total turnover</b>	<b>3,261</b>	<b>1,272</b>	<b>443</b>	<b>9,858</b>	<b>4,687</b>	<b>2,444</b>
Depreciation/amortisation	-163	-86	-40	-397	-63	-41
<b>Operational earnings</b>	<b>567</b>	<b>180</b>	<b>34</b>	<b>177</b>	<b>88</b>	<b>-22</b>
Profit from shares in associated companies				31		
<b>Revenue and costs that affect comparability:</b>						
- Profit from sale of property						
- Structural costs etc.	-11	-1	-1	-4	-2	-2
- Acquisition-related costs and value adjustments	-1		0			1
- Amortisation/impairment losses of surplus values	-9	-9	-17	-9	-8	-17
<b>Total</b>	<b>-21</b>	<b>-10</b>	<b>-18</b>	<b>-13</b>	<b>-10</b>	<b>-18</b>
Shares in associated companies				454		
Investments in non-current assets	38	16	4	896	155	8



SEK M	Revenues from customers	Non-current assets
<b>Geographical segments</b>		
Sweden	13,318	7,212
Norway	5,651	1,806
Germany	721	99
Luxembourg	990	620
Belgium	1,106	606
Segment reconciliation	0	-1,605
<b>Total</b>	<b>21,786</b>	<b>8,738</b>

### 30 September 2019

SEK M	Service	Car	Fuel	Total	Segment reconciliation	Group
<b>Net turnover</b>						
External sales	3,979	16,101	1,007	21,087	18	21,105
Internal sales	1,045			1,045	-1,045	-
<b>Total net turnover</b>	<b>5,024</b>	<b>16,101</b>	<b>1,007</b>	<b>22,132</b>	<b>-1,027</b>	<b>21,105</b>
Depreciation/amortisation	-282	-530	-4	-816	-43	-859
<b>Operational earnings/Operating profit/loss</b>	<b>630</b>	<b>212</b>	<b>23</b>	<b>865</b>	<b>-110</b>	<b>755</b>
Interest income						13
Interest expenses						-116
Shares in profits of associated companies		28		28		28
<b>Profit before tax</b>						<b>680</b>
Tax expense for the period						-135
<b>Net profit for the period</b>						<b>545</b>
<b>Revenue and costs that affect comparability:</b>						
- Profit from sale of operation, other	4	4		8		8
- Structural costs etc.	-2	-2		-4		-4
- Acquisition-related costs and value adjustments	-1	-1		-2		-2
- Amortisation of surplus values	-36	-35		-71		-71
<b>Total</b>	<b>-35</b>	<b>-34</b>	<b>-</b>	<b>-69</b>	<b>-</b>	<b>-69</b>
<b>Assets</b>						
Interests in associated companies		420		420		420
Deferred tax assets						97
Other assets						14,152
<b>Total assets</b>						<b>14,669</b>
Investments in non-current assets	54	1,198	3	1,255	80	1,335
<b>Liabilities</b>						
Equity						3,033
Liabilities						11,636
<b>Total liabilities and equity</b>						<b>14,669</b>

SEK M	Service			Car		
	Sweden	Norway	Western Europe	Sweden	Norway	Western Europe
<b>Turnover</b>						
External sales	2,511	952	516	9,184	4,389	2,528
Internal sales	656	326	63			
<b>Total turnover</b>	<b>3,167</b>	<b>1,278</b>	<b>579</b>	<b>9,184</b>	<b>4,389</b>	<b>2,528</b>
Depreciation/amortisation	-163	-74	-45	-407	-82	-41
<b>Operational earnings</b>	<b>436</b>	<b>145</b>	<b>49</b>	<b>171</b>	<b>43</b>	<b>-2</b>
Shares in profits of associated companies				28		
<b>Revenue and costs that affect comparability:</b>						
- Profit from sale of operation, other	4			4		
- Structural costs etc.	-2			-2	0	
- Acquisition-related costs and value adjustments	-1					-1
- Amortisation of surplus values	-9	-9	-18	-9	-9	-17
<b>Total</b>	<b>-8</b>	<b>-9</b>	<b>-18</b>	<b>-7</b>	<b>-9</b>	<b>-18</b>
Interests in associated companies				420		
Investments in non-current assets	20	28	6	958	225	15

SEK M	Revenues from customers	Non-current assets
<b>Geographical segments</b>		
Sweden	12,715	6,956
Norway	5,346	2,219
Germany	949	136
Luxembourg	977	636
Belgium	1,118	652
Segment reconciliation	0	-1,604
<b>Total</b>	<b>21,105</b>	<b>8,995</b>

## Note 5 Acquisitions

No acquisitions have been made in 2020.

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

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

SEK M	30 September 2020	31 December 2019	30 September 2019
Current interest-bearing liabilities	1,036	1,040	809
Non-current interest-bearing liabilities	981	1,503	1,540
Lease liabilities IFRS 16	2,611	2,620	2,432
Cash and cash equivalents	-2,203	-236	-485
Interest-bearing assets	-3	-1	-1
Shares in associated companies	-454	-433	-420
<b>Net debt(+)/receivable(-) at end of period/year</b>	<b>1,968</b>	<b>4,493</b>	<b>3,875</b>
<b>Net debt(+)/receivable(-) at end of period/year, excluding IFRS 16</b>	<b>-643</b>	<b>1,873</b>	<b>1,443</b>

### The ratio of net debt to EBITDA

SEK M	30 September 2020	31 December 2019	30 September 2019
Operational earnings	1,016	1,239	824
Operational earnings, excluding IFRS 16	982	1,193	793
Total depreciation/amortisation	845	1,146	859
-amortisation of surplus values	-69	-95	-71
-depreciation of right-of-use assets	-336	-451	-341
-depreciation of leased vehicles with repurchase agreements	-240	-337	-256
Depreciation/amortisation added back	536	714	532
Depreciation/amortisation added back, excluding IFRS 16	200	263	191
<b>EBITDA</b>	<b>1,552</b>	<b>1,953</b>	<b>1,356</b>
<b>EBITDA, excluding IFRS 16</b>	<b>1,182</b>	<b>1,456</b>	<b>984</b>
The ratio of net debt to EBITDA rolling 12 months, times	0.9	2.3	2.3
The ratio of net debt to EBITDA rolling 12 months, times, excluding IFRS 16	-0.4	1.3	1.1

# Accounts - Parent Company

## Income Statement for Parent Company

SEK M	Third quarter		Nine months		Oct. 19 -	Full year
	2020	2019	2020	2019	Sept. 20	2019
Net turnover	142	129	418	389	559	530
Administrative expenses	-161	-141	-461	-440	-635	-614
<b>Operating loss <sup>1)</sup></b>	<b>-19</b>	<b>-12</b>	<b>-43</b>	<b>-51</b>	<b>-76</b>	<b>-84</b>
<i>Result from financial items</i>						
Profit from shares in Group companies	0	0	76	128	65	117
Interest income from Group companies	9	12	44	42	56	54
Other interest income and similar line items	0	0	0	11	-1	10
Interest expenses to Group companies	0	0	0	0	0	0
Interest expenses and similar line items	-7	-10	-33	-33	-43	-43
<b>Profit/loss after financial items</b>	<b>-17</b>	<b>-10</b>	<b>44</b>	<b>97</b>	<b>1</b>	<b>54</b>
Appropriations	0	0	0	0	723	723
<b>Profit/loss before tax</b>	<b>-17</b>	<b>-10</b>	<b>44</b>	<b>97</b>	<b>724</b>	<b>777</b>
Tax	11	0	1	5	-135	-131
<b>Net profit/loss for the year</b>	<b>-6</b>	<b>-10</b>	<b>45</b>	<b>102</b>	<b>589</b>	<b>646</b>
<sup>1)</sup> Straight-line amortisation/depreciation by asset class:						
- Intellectual property	0	0	0	0	0	0
- Buildings	-6	-5	-17	-11	-24	-18
- Equipment, tools, fixtures and fittings	0	-1	-1	-1	-1	-1
<b>Total</b>	<b>-6</b>	<b>-6</b>	<b>-18</b>	<b>-12</b>	<b>-25</b>	<b>-19</b>

## Balance Sheet for Parent Company, Summary

SEK M	30 September 2020	31 December 2019	30 September 2019
<b>Assets</b>			
<b>Non-current assets</b>			
<b>Intangible assets</b>			
Intellectual property	0	0	0
	<b>0</b>	<b>0</b>	<b>0</b>
<b>Property, plant and equipment</b>			
Buildings	167	163	115
Construction in progress	35	36	87
Equipment, tools, fixtures and fittings	4	5	3
	<b>206</b>	<b>204</b>	<b>205</b>
<b>Long-term investments</b>			
Shares in Group companies	1,325	1,328	1,328
Other securities held as non-current assets	1	1	1
Deferred tax asset	60	58	49
	<b>1,386</b>	<b>1,387</b>	<b>1,378</b>
<b>Total non-current assets</b>	<b>1,592</b>	<b>1,591</b>	<b>1,583</b>
<b>Current assets</b>			
<b>Current receivables</b>			
Receivables from Group companies	434	2,130	446
Other receivables	178	196	194
Cash on hand and demand deposits	1,647	55	926
<b>Total current assets</b>	<b>2,259</b>	<b>2,381</b>	<b>1,566</b>
<b>TOTAL ASSETS</b>	<b>3,851</b>	<b>3,972</b>	<b>3,149</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	946	897	432
	<b>1,113</b>	<b>1,064</b>	<b>599</b>
<b>Total equity</b>	<b>1,417</b>	<b>1,368</b>	<b>903</b>
<b>Untaxed reserves</b>	<b>863</b>	<b>863</b>	<b>727</b>
<b>Provisions</b>			
Deferred tax liability	14	14	5
	<b>14</b>	<b>14</b>	<b>5</b>
<b>Non-current liabilities</b>			
Bond issue	795	1,289	1,287
Other liabilities	5	5	5
	<b>800</b>	<b>1,294</b>	<b>1,292</b>
<b>Current liabilities</b>			
Bond issue	500	-	-
Liabilities to Group companies	3	70	1
Other liabilities	254	363	221
	<b>757</b>	<b>433</b>	<b>222</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3,851</b>	<b>3,972</b>	<b>3,149</b>

## Quarterly review - 8 quarters

### The Group

	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
Net turnover, SEK M	6,956	6,874	7,426	6,805	8,403	7,450	6,777	7,559
Operational earnings, SEK M	296	238	306	280	415	279	335	402
Operational margin, %	4.3	3.5	4.1	4.1	4.9	3.7	5.0	5.3
Operating profit, SEK M	272	211	280	264	370	255	293	375
Operating margin, %	3.9	3.1	3.8	3.9	4.4	3.4	4.3	5.0
Profit before tax, SEK M	267	192	251	237	334	219	266	353
Profit/loss for the period, SEK M	214	154	203	188	262	167	213	281
The ratio of net debt to EBITDA excl. IFRS 16, times <sup>1)</sup>	1.3	1.1	1.4	1.1	1.3	1.2	0.2	-0.4
Return on capital employed, % <sup>1)</sup>	20.5	18.3	16.6	16.0	15.8	15.0	15.1	16.2
Return on equity, % <sup>1)</sup>	26.5	26.1	25.7	25.9	26.5	26.5	26.1	27.4
Equity/assets ratio, %	24	21	19	21	20	22	24	24
<b>Data per share (SEK) <sup>2)</sup></b>								
Earnings/loss for the period	2.10	1.50	2.05	1.85	2.60 <sup>3)</sup>	1.65 <sup>4)</sup>	2.15 <sup>4)</sup>	2.80 <sup>4)</sup>
Equity	29	31	28	30	32 <sup>4)</sup>	33 <sup>4)</sup>	35 <sup>4)</sup>	38 <sup>4)</sup>

<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 fourth quarter, 100,585,602.

<sup>4)</sup> Based on number of shares outstanding, 100,133,742.

### Business area – Service Business

	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
Turnover, SEK M	1,790	1,704	1,750	1,570	2,028	1,796	1,622	1,558
Operational earnings, SEK M	251	218	217	195	315	263	281	237
Margin, %	14.0	12.8	12.4	12.4	15.6	14.7	17.3	15.2
Adjusted turnover, growth in %	4.3	6.4	2.0	7.1	10.9	7.5	-2.0	6.0

### Business area – Car Business

	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
Turnover, SEK M	5,238	5,214	5,654	5,233	6,577	5,783	5,157	6,049
Operational earnings, SEK M	75	24	102	86	136	18	56	169
Margin, %	1.4	0.5	1.8	1.6	2.1	0.3	1.1	2.8
New cars delivered, number	12,378	11,336	13,078	9,858	14,398	10,814	8,685	10,550
Order backlog of new cars, number	9,646	12,385	11,579	13,083	11,767	13,579	12,848	14,492
Used cars delivered, number	11,153	11,956	12,906	12,965	12,537	13,377	12,788	13,997

### Business area – Fuel Business

	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
Turnover, SEK M	327	307	362	338	331	290	257	287
Operational earnings, SEK M	5	11	6	6	2	5	8	9
Margin, %	1.4	3.6	1.5	1.9	0.4	1.9	3.0	2.9

## 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.

**Excluding IFRS 16** Information excluding the new accounting standard IFRS 16 Leases which means comparable information with previous years according to IAS 17 Leases.

**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.

**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. Adjusted turnover reported under *Quarterly review – 8 quarters for the Service Business* relates to Sweden and Norway.

**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 [bilias.com/en/investors/financial-information/](https://bilias.com/en/investors/financial-information/)



# Review report

To the Board of Directors of Bilia AB (publ), Corp. ID no. 556112-5690

## Introduction

We have reviewed the interim financial information in summary (the interim report) for Bilia AB (publ) as per 30 September 2020 and the nine-month period that ended on this date. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion regarding this interim financial information based on our review.

## Aim and scope of review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different aim and is substantially less in scope than an audit conducted in accordance with Standards on Auditing in Sweden, RS and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information has not, in all material respects, been prepared in accordance with IAS 34 and the Annual Reports Act with regard to the Group and in accordance with the Annual Reports Act with regard to the Parent Company.

Gothenburg, 28 October 2020  
KPMG AB

Johan Kratz  
*Authorised Public Accountant*

## Additional Bilia disclosures

### Press and analyst meeting

On Wednesday, 28 October 2020, 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 CET and a meeting in English at 14:00 CET. 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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### Calendar

Year-end report for full year 2020: 11 February 2021  
Interim report January-March 2021: 27 April 2021  
Annual General Meeting: 27 April 2021  
Interim report April-June 2021: 23 July 2021  
Interim report July-September 2021: 26 October 2021

### 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.

Gothenburg, 28 October 2020  
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 and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out above, on 28 October 2020, at 08:30 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 about 140 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, Dacia and Alpine and transport vehicles from Renault, Toyota and Dacia.

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



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