



## First quarter of 2018

Considering the Easter holiday - stable Service Business but weaker Car Business

### First quarter of 2018

- Net turnover amounted to SEK 6,978 M (6,815), an increase of 2.4 per cent.
- Operational earnings amounted to SEK 218 M (267).
- The lower earnings figure was attributable to fewer working days due to the Easter holiday, continued poor earnings from sales of used cars and fewer new cars delivered.
- Profit for the period was SEK 146 M (181) and earnings per share SEK 1.45 (1.75).
- Operating cash flow amounted to SEK -174 M (284).

### January-December 2017

- Net turnover amounted to SEK 27,492 M (23,306).
- Operational earnings amounted to SEK 1,006 M (887).
- Net profit for the year was SEK 691 M (636) and earnings per share SEK 6.75 (6.20).
- Operating cash flow amounted to SEK 355 M (464).

### Events after the end of the quarter

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

SEK M	First quarter		April 17 - March 18	Full year 2017
	2018	2017		
<b>The Group</b>				
Net turnover	6,978	6,815	27,655	27,492
Operational earnings <sup>1)</sup>	218	267	957	1,006
Operational margin, %	3.1	3.9	3.5	3.7
Operating profit	196	244	875	923
Operating margin, %	2.8	3.6	3.2	3.4
Profit before tax	188	234	850	896
Net profit for the period/year	146	181	656	691
Earnings per share, SEK <sup>2)</sup>	1.45	1.75	6.45	6.75

<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.

# Comments by the Managing Director

Stable Service Business - considering the Easter holiday  
Weaker Car Business - saving programme initiated



## Earnings for the first quarter

Demand for service was slightly higher compared with last year. The Service Business reported stable growth and stable earnings, considering the fact that there were fewer working days than last year. The operating margin improved by 0.8 percentage point to 10.8 per cent compared with the second quarter of last year, which was the quarter during which the Easter holiday fell.

Demand for new cars was lower than last year. The Car Business reported a lower profit compared with last year, attributable mainly to lower sales of used cars but also to fewer new cars delivered. Stock of used cars decreased during the first quarter. A saving programme has been initiated with estimated annual savings of about SEK 55 M when fully implemented. The order backlog of new cars remains at a good level.

## Development of the car markets

Overall, the new car markets were slightly weaker during the first quarter compared with last year. Registrations of new cars declined in Sweden by 2 per cent compared with last year. In Norway registrations of new cars declined by all of 12 per cent compared with last year, which can be explained by changes for car taxation last year. Registrations in Western Europe increased by 4 per cent compared with last year.

Demand for cars for the full year 2018 is nevertheless expected to remain at a high level on all markets. A new regulatory system for the classification of environmental cars will be introduced in Sweden on 1 July. This may lead to a wait-and-see attitude on the part of private customers in particular. We couldn't discern any clear trend during the first quarter except that orders intake for transport vehicles was at a high level.

## Continued discussion of different kinds of fuels

Discussions of the future of diesel cars continued during the first quarter. Both Sweden and Germany have decided to allow diesel cars to be banned in specific environmental zones in cities. It is unclear today whether this option will be exercised. In my opinion, the discussion regarding the pros and cons of diesel cars is now somewhat more nuanced. The new Euro 6 diesel engines with lower hazardous emissions are now being considered in the discussion. People are beginning to reflect on whether different kinds of fuel may be more or less suitable depending on where they live and how they use their cars. Bilia represents brands that are at the forefront of technological development, making us well equipped to meet the demands of the car market of the future.

## Electric car market in Norway

Norway continues to exhibit strong growth for electric cars and plug-in hybrids. Altogether, electric and plug-in hybrid cars comprised 59 per cent of the number of cars sold during the first quarter. State subsidies have led to sharply increased sales of these cars during the past few years and have greatly changed the Norwegian car market. From now on it will be essential to offer products and models that are eligible for the state subsidies.

Per Avander, Managing Director and CEO

Interim Report Bilia AB (publ) 1 January – 31 March 2018

# Group results

## Net turnover and earnings

### First quarter of 2018

**Net turnover** amounted to SEK 6,978 M (6,815). For comparable operations and adjusted for exchange rate changes, net turnover increased by about 2 per cent.

**Operating profit** amounted to SEK 196 M (244). Adjusted for revenue and costs that affect comparability, **operational earnings** amounted to SEK 218 M (267), with an operating margin of 3.1 per cent (3.9). The Service Business reported a profit that was lower than last year due to fewer working days, since the Easter holiday fell mainly during the first quarter this year but the second quarter last year. The Car Business reported a lower profit compared with last year, which was mainly attributable to lower sales of used cars.

Underlying Group overheads increased by about 5 per cent compared with last year. Overheads amounted to 12.7 per cent in relation to net turnover, which was 0.5 percentage point higher compared with last year. In recognition of the earnings level and customer satisfaction during the quarter, provision was made for employee bonuses in Sweden of SEK 6 M (6).

The operation in Sweden reported a profit of SEK 164 M (200), with a margin of 3.8 per cent (4.7). The profit in Bilia's Norwegian operation amounted to SEK 60 M (75), with a margin of 3.2 per cent (4.0). The operation in Western Europe reported a profit of SEK 5 M (3), with an operating margin of 0.6 per cent (0.4). The operations in Luxembourg and Belgium continued to develop positively, while Germany faces a challenge in the market. The Parent Company's operating loss for the first quarter amounted to SEK 15 M (loss: 14).

**Profit for the period** amounted to SEK 146 M (181) and earnings per share SEK 1.45 (1.75). Exchange rate changes did not have any significant effect on earnings.

**The number of employees** increased by 31 during the quarter and amounted to 4,739 persons.

#### Net turnover by geographic market

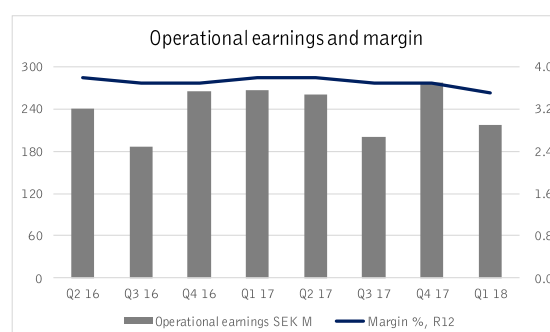
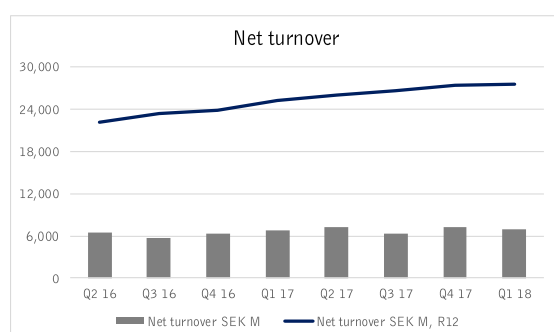
SEK M	First quarter		April 17 - March 18	Full year 2017
	2018	2017		
Sweden	4,307	4,236	17,306	17,235
Norway	1,911	1,870	7,365	7,324
Western Europe	755	707	2,971	2,923
Parent Company, other	5	2	13	10
<b>Total</b>	<b>6,978</b>	<b>6,815</b>	<b>27,655</b>	<b>27,492</b>

#### Operational earnings by geographic market

SEK M	First quarter		April 17 - March 18	Full year 2017
	2018	2017		
Sweden	164	200	737	773
Norway	60	75	228	243
Western Europe	5	3	55	53
Parent Company, other	-11	-11	-63	-63
<b>Total</b>	<b>218</b>	<b>267</b>	<b>957</b>	<b>1,006</b>

## Margin by geographic market

Per cent	First quarter		April 17 - March 18	Full year 2017
	2018	2017		
Sweden	3.8	4.7	4.3	4.5
Norway	3.2	4.0	3.1	3.3
Western Europe	0.6	0.4	1.9	1.8
Parent Company, other	-	-	-	-
<b>Total</b>	<b>3.1</b>	<b>3.9</b>	<b>3.5</b>	<b>3.7</b>



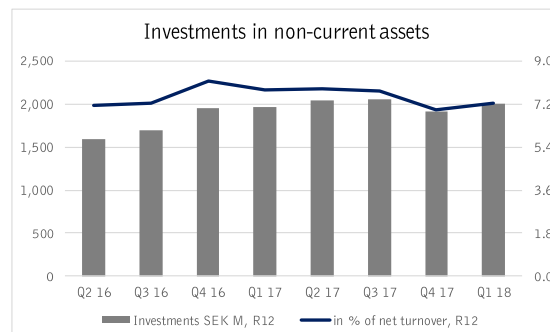
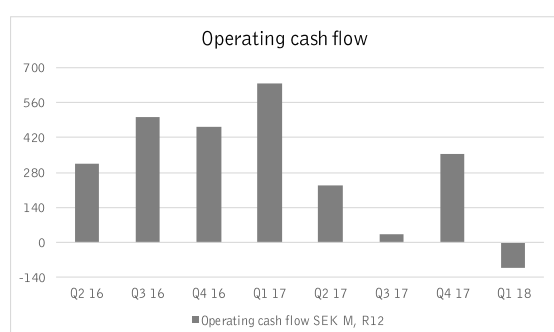
## Net financial items and tax

**Net financial items** for the first quarter amounted to SEK -8 M (-10).

**Tax for the period** amounted to SEK -42 M (-53), and the effective tax rate was 22 per cent (23).

## Operating cash flow

**Operating cash flow** for the first quarter amounted to SEK -174 M (284). The period's operating cash flow was affected by increased stocks of new cars that were not delivered to customers as planned due to a shortfall in deliveries of complete winter wheels. These deliveries of new cars to customers first became possible in April. After acquisitions and disposals of operations and change in financial assets, cash flow amounted to SEK -225 M (7).



## Financial position

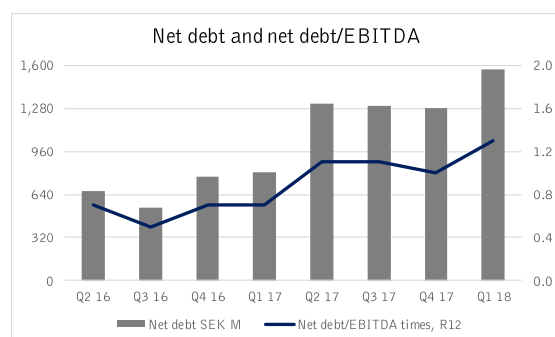
**Total assets** increased by SEK 507 M during the quarter, amounting to SEK 11,465 M. The increase compared with 31 December 2017 was mainly attributable to higher stocks of new cars that were not delivered to customers as planned during the first quarter due to a shortfall in deliveries of complete winter wheels.

**Equity** increased by SEK 195 M during the quarter, amounted to SEK 2,815 M.

**The equity/assets ratio** amounted to 25 per cent (25).

**Net debt** increased by SEK 292 M during the first quarter, amounted to SEK 1,574 M. Once again, the increase compared with 31 December 2017 was mainly attributable to higher stocks of new cars that were not delivered to customers due to a shortfall in deliveries of complete winter wheels. As mentioned previously, delivery of these new cars first became possible in April.

The ratio of net debt to EBITDA amounted to 1.3 times, compared with 1.0 times on 31 December 2017 and 0.7 times last year.



Liquidity remained good, and at the end of March a debt to the banks (Nordea and DNB) of SEK 88 M was reported. Bilia's combined credit limit with Nordea and DNB amounts to SEK 1,500 M.

## Investments

**Acquisitions of non-current assets** in the first quarter amounted to SEK 76 M (76) excluding leased vehicles and SEK 468 M (369) including leased vehicles. Replacement investments represented SEK 33 M (9), expansion investments SEK 20 M (26), environmental investments SEK 1 M (0), investments in new construction and additions to properties SEK 14 M (33), finance leases SEK 8 M (8) and leased vehicles SEK 392 M (293).

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

SEK M	First quarter		April 17 - March 18	Full year 2017
	2018	2017		
Sweden	369	318	1,582	1,531
Norway	74	25	274	225
Western Europe	4	10	68	74
Parent Company, other	21	16	83	78
<b>Total</b>	<b>468</b>	<b>369</b>	<b>2,007</b>	<b>1,908</b>

## **Notable events**

Events during the first quarter

- At the end of February 2018, Bilia opened a showroom for Renault electric cars in Stockholm. It was Renault's first showroom for electric cars in Europe.

Additional information on the above events and notable events during previous quarters, as well as other press information, is available at [bilia.com](http://bilia.com).

## **Notable events after the end of the quarter**

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

# Service Business

## Continued growth and stable earnings development

### First quarter of 2018

- Turnover amounted to SEK 1,561 M (1,500).
- Operational earnings amounted to SEK 169 M (193).
- The margin amounted to 10.8 per cent (12.9).

### January-December 2017

- Turnover amounted to SEK 5,998 M (5,319).
- Operational earnings amounted to SEK 704 M (600).
- The margin amounted to 11.7 per cent (11.3).

## Turnover and earnings

### First quarter of 2018

There was continued growth in the Service Business during the first quarter, and adjusted turnover for Sweden and Norway increased by 3.1 per cent. The Easter weekend fell mainly during the first quarter, as compared to the second quarter last year. This meant that there were two fewer working days for the Group overall – one fewer working day in Sweden, two fewer working days in Western Europe and three fewer working days in Norway compared with last year.

#### Growth in the Service Business

Per cent	First quarter		
	Sweden	Norway	Total
<i>Change from last year</i>			
Underlying turnover	1.4	-1.2	0.7
Calendar effect	1.6	4.6	2.4
<b>Adjusted turnover</b>	<b>3.0</b>	<b>3.4</b>	<b>3.1</b>

The earnings development for the Service Business remained stable considering the number of working days. Operational earnings amounted to SEK 169 M (193), with a margin of 10.8 per cent (12.9). The lower earnings figure was mainly attributable to two fewer working days, but was also affected slightly by a later tyre season compared with last year. The margin for the first quarter was improved by 0.8 percentage point compared with the second quarter of last year, which was when the Easter holiday fell.

Adjusted turnover in the Service Business in Sweden increased by 3.0 per cent and the profit amounted to SEK 112 M (127). The number of mechanics in Sweden increased slightly during the first quarter as well, but we still need to hire more mechanics.

Adjusted turnover in the Service Business in Norway increased by 3.4 per cent and the profit amounted to SEK 41 M (61).

In Western Europe, the reported profit for the Service Business increased by SEK 11 M compared with last year, mainly due to higher turnover.

### Turnover by geographic market

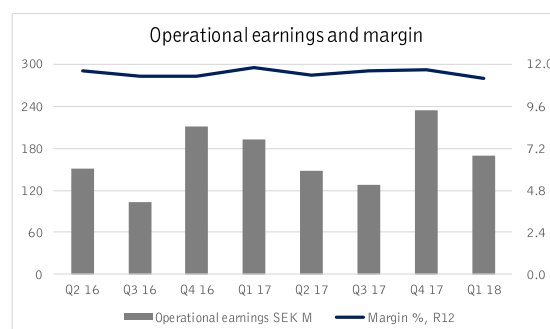
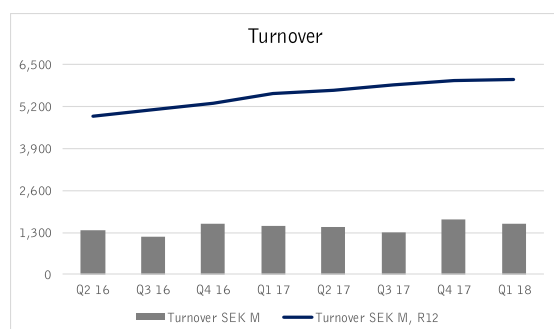
SEK M	First quarter		April 17 - March 18	Full year 2017
	2018	2017		
Sweden	1,018	989	3,993	3,964
Norway	388	392	1,476	1,480
Western Europe	155	119	590	554
<b>Total</b>	<b>1,561</b>	<b>1,500</b>	<b>6,059</b>	<b>5,998</b>

### Operational earnings by geographic market

SEK M	First quarter		April 17 - March 18	Full year 2017
	2018	2017		
Sweden	112	127	488	503
Norway	41	61	147	167
Western Europe	16	5	45	34
<b>Total</b>	<b>169</b>	<b>193</b>	<b>680</b>	<b>704</b>

### Margin by geographic market

Per cent	First quarter		April 17 - March 18	Full year 2017
	2018	2017		
Sweden	11.1	12.8	12.2	12.7
Norway	10.5	15.5	10.0	11.3
Western Europe	10.0	4.8	7.6	6.2
<b>Total</b>	<b>10.8</b>	<b>12.9</b>	<b>11.2</b>	<b>11.7</b>





# Car Business

Weaker orders intake and lower earnings from sales of used cars – saving programme initiated

## First quarter of 2018

- Turnover amounted to SEK 5,463 M (5,431).
- Operational earnings amounted to SEK 46 M (74).
- The margin amounted to 0.9 per cent (1.4).

## January-December 2017

- Turnover amounted to SEK 21,607 M (18,565).
- Operational earnings amounted to SEK 333 M (324).
- The margin amounted to 1.5 per cent (1.7).

## Turnover and earnings

### First quarter of 2018

The Car Business's deliveries of new cars declined for comparable operations by 5 per cent, while deliveries of new transport vehicles declined by 12 per cent. Deliveries of used cars were unchanged compared with last year.

Orders intake for new cars decreased during the quarter by 7 per cent compared with last year. The underlying order backlog increased by 1,247 cars during the first quarter, amounted to 12,809 cars.

#### New cars by geographic market

Number of	Deliveries				Order backlog	
	First quarter 2018	2017	April 17 - March 18	Full year 2017	31 March 2018	31 March 2017
Sweden	8,517	9,039	36,331	36,853	8,532	8,450
Norway <sup>1)</sup>	2,715	2,637	10,018	9,940	2,401	2,671
Western Europe	1,156	1,465	5,794	6,103	1,876	1,760
<b>Total</b>	<b>12,388</b>	<b>13,141</b>	<b>52,143</b>	<b>52,896</b>	<b>12,809</b>	<b>12,881</b>

<sup>1)</sup> Bilsalongen is included in deliveries during the quarter with 96 (-) and with 67 (-) in order backlog.

#### Used cars by geographic market

Number of	Deliveries			
	First quarter 2018	2017	April 17 - March 18	Full year 2017
Sweden	8,002	8,005	32,948	32,951
Norway <sup>1)</sup>	2,701	2,600	10,402	10,301
Western Europe	1,201	1,181	4,401	4,381
<b>Total</b>	<b>11,904</b>	<b>11,786</b>	<b>47,751</b>	<b>47,633</b>

<sup>1)</sup> Bilsalongen is included in deliveries during the quarter with 116 (-).

Turnover in the Car Business was affected (compared with last year) by a higher average selling price, attributable to the brand and model mix among cars delivered.

#### Turnover by geographic market

SEK M	First quarter		April 17 - March 18	Full year 2017
	2018	2017		
Sweden	3,208	3,245	12,879	12,916
Norway	1,635	1,581	6,312	6,258
Western Europe	620	605	2,448	2,433
<b>Total</b>	<b>5,463</b>	<b>5,431</b>	<b>21,639</b>	<b>21,607</b>

Earnings from sales of new cars were SEK 8 M lower than last year, mainly attributable to transport vehicles in Sweden.

Sales of used cars during the quarter showed a loss of SEK 8 M, compared with a profit of SEK 12 M last year. The poorer result was mainly attributable to a lower gross profit margin. The stocks declined during the first quarter on all geographic markets, and the turnover rate remained at a high level.

The Car Business in Sweden reported a profit that was SEK 23 M lower than last year, attributable to sales of new and used cars. A lower number of cars delivered and higher relative costs compared with last year affected the lower profit from sales of new cars. Earnings from sales of used cars amounted to SEK 9 M (18).

The Car Business in Norway reported a profit that was SEK 4 M higher than last year, attributable to sales of new cars. The improvement is explained by a higher average selling price per car compared with last year. Sales of used cars showed a loss of SEK 11 M (loss: 4).

The Car Business in Western Europe reported a profit that was SEK 9 M lower than last year. The lower profit stemmed from a lower gross profit margin on sales of new cars. Sales of used cars showed a loss of SEK 6 M (loss: 2).

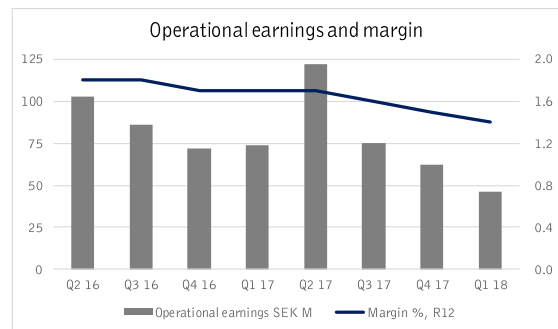
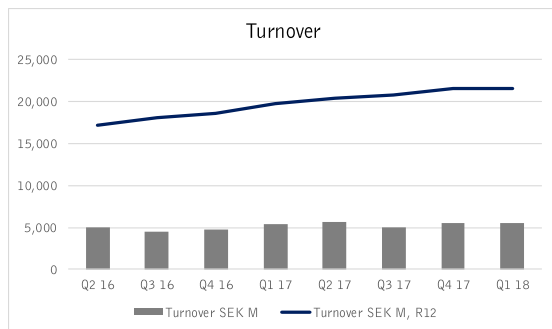
A saving programme has been initiated to compensate for lower demand for new cars. The saving programme is expected to generate annual savings of about SEK 55 M on a full-year basis and be fully implemented by 2019.

#### Operational earnings by geographic market

SEK M	First quarter		April 17 - March 18	Full year 2017
	2018	2017		
Sweden	38	61	215	238
Norway	19	15	80	76
Western Europe	-11	-2	10	19
<b>Total</b>	<b>46</b>	<b>74</b>	<b>305</b>	<b>333</b>

#### Margin by geographic market

Per cent	First quarter		April 17 - March 18	Full year 2017
	2018	2017		
Sweden	1.2	1.9	1.7	1.8
Norway	1.2	0.9	1.3	1.2
Western Europe	-1.8	-0.5	0.4	0.8
<b>Total</b>	<b>0.9</b>	<b>1.4</b>	<b>1.4</b>	<b>1.5</b>



# Fuel Business

## Continued growth in the Fuel Business

### First quarter of 2018

- Turnover amounted to SEK 289 M (265).
- Operational earnings amounted to SEK 14 M (11).
- The margin amounted to 4.8 per cent (4.0).

### January-December 2017

- Turnover amounted to SEK 1,141 M (1,031).
- Operational earnings amounted to SEK 32 M (25).
- The margin amounted to 2.8 per cent (2.4).

## Turnover and earnings

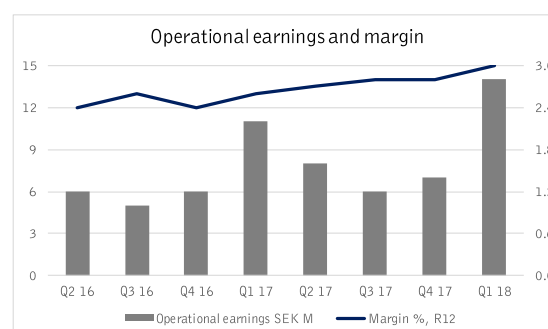
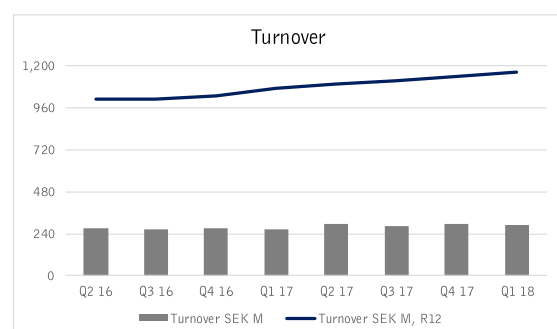
### First quarter of 2018

The Fuel Business is concentrated to Sweden, and earnings for the quarter amounted to SEK 14 M (11).

Turnover				
SEK M	First quarter		April 17 -	Full year
	2018	2017	March 18	2017
Total	289	265	1,165	1,141

Operational earnings				
SEK M	First quarter		April 17 -	Full year
	2018	2017	March 18	2017
Total	14	11	35	32

Margin				
Per cent	First quarter		April 17 -	Full year
	2018	2017	March 18	2017
Total	4.8	4.0	3.0	2.8



# 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:

- Development of the market for new cars, new technology and alternative sales channels.
- Diminished demand for cars can also affect the value of stock in hand and guaranteed residual values.
- Reduced demand for service and repairs.
- Increased competition in the markets where Bilia is active.
- The ability of suppliers to offer competitive products.
- Vehicle suppliers become insolvent or cancel their distribution agreements with Bilia.
- Regulatory decisions that lead to changes in taxes and charges on the products Bilia sells can influence both demand for and the valuation of cars in stock and cars sold with guaranteed residual values.

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 information about the risks that affect the Group, please refer to the 2017 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 66 of the 2017 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	First quarter		April 17 - March 18	Full year 2017
	2018	2017		
Net turnover	6,978	6,815	27,655	27,492
Costs of goods sold	-5,892	-5,738	-23,323	-23,169
<b>Gross profit</b>	<b>1,086</b>	<b>1,077</b>	<b>4,332</b>	<b>4,323</b>
Other operating income	2	10	9	17
Selling expenses	-731	-679	-2,814	-2,762
Administrative expenses	-156	-152	-635	-631
Other operating expenses	-5	-12	-17	-24
<b>Operating profit <sup>1)</sup></b>	<b>196</b>	<b>244</b>	<b>875</b>	<b>923</b>
Financial income	1	6	21	26
Financial expenses	-15	-21	-79	-85
Shares in profits of associated companies	6	5	33	32
<b>Profit before tax</b>	<b>188</b>	<b>234</b>	<b>850</b>	<b>896</b>
Tax	-42	-53	-194	-205
<b>Net profit for the period</b>	<b>146</b>	<b>181</b>	<b>656</b>	<b>691</b>
<b>Other comprehensive income/loss</b>				
<i>Items that can be reclassified to profit or loss</i>				
Translation differences attributable to foreign operations	55	-8	49	-14
<b>Other comprehensive income/loss after tax</b>	<b>55</b>	<b>-8</b>	<b>49</b>	<b>-14</b>
<b>Comprehensive income for the period</b>	<b>201</b>	<b>173</b>	<b>705</b>	<b>677</b>
<b>Net profit for the period attributable to:</b>				
Parent Company's shareholders	146	181	656	691
<b>Comprehensive income for the period attributable to:</b>				
Parent Company's shareholders	201	173	705	677
<b>Weighted average number of shares, '000:</b>				
- before dilution	100,951	102,800	101,827	102,283
- after dilution	100,951	102,800	101,827	102,283
Basic earnings/loss per share, SEK	1.45	1.75	6.45	6.75
Diluted earnings/loss per share, SEK	1.45	1.75	6.45	6.75
Weighted average number of own shares, '000	1,849	-	973	339
<b>1) Straight-line amortisation/depreciation by asset class:</b>				
- Intellectual property	-24	-24	-93	-93
- Land and buildings	-10	-8	-52	-50
- Equipment, tools, fixtures and fittings	-26	-25	-90	-89
- Leased vehicles	-104	-97	-422	-415
<b>Total</b>	<b>-164</b>	<b>-154</b>	<b>-657</b>	<b>-647</b>

## Consolidated Statement of Financial Position, Summary

SEK M	31 March 2018	31 December 2017	31 March 2017
<b>Assets</b>			
<b>Non-current assets</b>			
<b>Intangible assets</b>			
Intellectual property	604	583	628
Goodwill	765	723	726
	<b>1,369</b>	<b>1,306</b>	<b>1,354</b>
<b>Property, plant and equipment</b>			
Land and buildings	603	599	494
Construction in progress	38	29	27
Equipment, tools, fixtures and fittings	466	453	443
Leased vehicles <sup>1)</sup>	3,087	2,966	2,799
	<b>4,194</b>	<b>4,047</b>	<b>3,763</b>
<b>Long-term investments</b>			
Financial investments <sup>1)</sup>	421	415	393
Long-term receivables <sup>2)</sup>	-	0	1
	<b>421</b>	<b>415</b>	<b>394</b>
Deferred tax assets	77	79	81
<b>Total non-current assets</b>	<b>6,061</b>	<b>5,847</b>	<b>5,592</b>
<b>Current assets</b>			
Inventories, merchandise	3,830	3,408	3,584
<b>Current receivables</b>			
Other receivables <sup>1)</sup>	1,465	1,501	1,355
Cash and cash equivalents <sup>2)</sup>	109	202	221
<b>Total current assets</b>	<b>5,404</b>	<b>5,111</b>	<b>5,160</b>
<b>TOTAL ASSETS</b>	<b>11,465</b>	<b>10,958</b>	<b>10,752</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	257	257	257
Other contributed capital	167	167	167
Reserves	17	-38	-32
Retained earnings including net profit for the year	2,374	2,234	2,292
<b>Total equity</b>	<b>2,815</b>	<b>2,620</b>	<b>2,684</b>
<b>Non-current liabilities</b>			
Bond issue <sup>3)</sup>	1,006	1,006	1,008
Interest-bearing liabilities <sup>4)</sup>	233	163	146
Other liabilities and provisions <sup>3)</sup>	2,356	2,246	2,180
	<b>3,595</b>	<b>3,415</b>	<b>3,334</b>
<b>Current liabilities</b>			
Interest-bearing liabilities <sup>4)</sup>	864	729	270
Other liabilities and provisions	4,191	4,194	4,464
	<b>5,055</b>	<b>4,923</b>	<b>4,734</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>11,465</b>	<b>10,958</b>	<b>10,752</b>
<b>Assets</b>			
<sup>1)</sup> Of which interest-bearing	414	408	386
<sup>2)</sup> Interest-bearing	109	202	222
<b>Liabilities</b>			
<sup>3)</sup> Of which interest-bearing	1,000	1,000	1,001
<sup>4)</sup> Interest-bearing	1,097	892	416

## Statement of Changes in Group Equity, Summary

SEK M	31 March 2018	31 December 2017	31 March 2017
Opening balance	2,620	2,511	2,511
Cash dividend to shareholders	-	-412	-
Buy-back of own shares	-	-147	-
Revaluation of put option	-6	-9	0
Comprehensive income for the year	201	677	173
<b>Equity at end of period</b>	<b>2,815</b>	<b>2,620</b>	<b>2,684</b>



## Consolidated Statement of Cash Flows

SEK M	First quarter		April 17 -	Full year
	2018	2017	March 18	2017
<b>Operating activities</b>				
Profit before tax	188	234	850	896
Depreciation and impairment losses	164	154	702	692
Other items not affecting cash	-8	-9	-57	-58
Tax paid	-53	-72	-184	-203
Change in inventories	-276	-114	-133	29
Change in operating receivables	61	106	-85	-40
Change in operating liabilities	-42	149	-214	-23
<b>Cash flow from operating activities</b>	<b>34</b>	<b>448</b>	<b>879</b>	<b>1,293</b>
<b>Investing activities</b>				
Acquisition of non-current assets (intangible and tangible)	-76	-76	-331	-331
Disposal of non-current assets (intangible and tangible)	0	1	6	7
Acquisition of leased vehicles	-392	-293	-1,676	-1,577
Disposal of leased vehicles	260	204	1,019	963
<i>Operating cash flow</i>	-174	284	-103	355
Investment in financial assets	0	0	-4	-4
Disposal of financial assets	0	10	3	13
Acquisition of subsidiary/operation, net	-51	-340	-55	-344
Disposal of subsidiary/operation, net	0	53	1	54
<b>Cash flow from investing activities</b>	<b>-259</b>	<b>-441</b>	<b>-1,037</b>	<b>-1,219</b>
<b>Cash flow after net investments</b>	<b>-225</b>	<b>7</b>	<b>-158</b>	<b>74</b>
<b>Financing activities</b>				
Borrowings	648	224	1,341	917
Repayment of loans	-501	-100	-682	-281
Repayment of lease liabilities	-14	-13	-55	-54
Buy-back of own shares	0	0	-147	-147
Revaluation of put option	-6	0	-15	-9
Dividend paid to the company's shareholders	0	0	-412	-412
<b>Cash flow from financing activities</b>	<b>127</b>	<b>111</b>	<b>30</b>	<b>14</b>
<b>Change in cash and cash equivalents, excl. translation differences</b>				
Exchange difference in cash and cash equivalents	5	-1	16	10
<b>Change in cash and cash equivalents</b>	<b>-93</b>	<b>117</b>	<b>-112</b>	<b>98</b>
Cash and cash equivalents at start of period	202	104	221	104
Cash and cash equivalents at end of period	109	221	109	202

# 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 IFRSs have not had any significant effect on the Group's or the Parent Company's financial reports during the year. A number of new or revised IFRSs will enter into effect until during the current and coming financial years. Starting on 1 January 2018, IFRS 9 Financial Instruments replaced the previous standard IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes a logical model for classification and measurement, a single, forward-looking "expected loss" impairment model and a substantially reformed approach to hedge accounting.

Starting on 1 January 2018, IFRS 15 Revenue from Contracts with Customers replaced previous IFRS standards dealing with Revenue Recognition. IFRS 15 is based on recognising revenue when control over a good or service is transferred to the customer, which differs from the existing principle of revenue recognition based on transfer of risks and rewards. An evaluation has been made of the effects of IFRS 9 and IFRS 15 on Bilia's accounts, whereby it was found that they have no significant effect on the financial statements.

Starting on 1 January 2019, IFRS 16 Leases will replace existing IFRS standards dealing with accounting of leases. Bilia is not applying IFRS 16 prospectively, but will introduce the standard in 2019. As an operating lessee, Bilia will be affected by the adoption of IFRS 16. Calculations of the effect of IFRS 16 and choice of transition method are under way but not yet completed. The information provided in Note 29 in the 2017 annual report gives an indication of the type and scope of the leases that currently exist.

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 control Bilia's interest rate risk. They may 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 2 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 – Revenue and costs that affect comparability

“Gain from sale of operation” during 2017 pertains to the sale of the Ford operation in Stockholm. “Structural costs” during 2017 pertain mainly to the estimated cost of winding up the remaining Ford operation in Sweden and Norway.

“Acquisition-related costs and value adjustments” pertain to costs for the acquisition of operations and properties in Sweden.

SEK M	First quarter 2018	2017	April 17 - March 18	Full year 2017
<b>The Group</b>				
Operational earnings	218	267	957	1,006
- Gain from sale of operation	0	8	0	8
- Structural costs etc.	-2	-11	-8	-17
- Acquisition-related costs and value adjustments	-1	-1	-3	-3
- Amortisation of surplus values	-19	-19	-71	-71
<b>Operating profit</b>	<b>196</b>	<b>244</b>	<b>875</b>	<b>923</b>

### Note 4 – Group's operating segments

#### 31 March 2018

SEK M	Service	Car	Fuel	Total	Segment reconciliation	Group
<b>Net turnover</b>						
External sales	1,221	5,463	289	6,973	5	6,978
Internal sales	340			340	-340	-
<b>Total net turnover</b>	<b>1,561</b>	<b>5,463</b>	<b>289</b>	<b>7,313</b>	<b>-335</b>	<b>6,978</b>
Depreciation/amortisation	-28	-124	-1	-153	-11	-164
<b>Operational earnings/Operating profit/loss</b>	<b>169</b>	<b>46</b>	<b>14</b>	<b>229</b>	<b>-33</b>	<b>196</b>
Interest income						1
Interest expenses						-15
Shares in profits of associated companies		6		6		6
<b>Profit before tax</b>						<b>188</b>
Tax expense for the period						-42
<b>Net profit for the period</b>						<b>146</b>
<b>Revenue and costs that affect comparability:</b>						
- Profit from sale of operation, other	0	0		0		0
- Structural costs etc.	-1	-1		-2		-2
- Acquisition-related costs and value adjustments	-1	0		-1		-1
- Amortisation of surplus values	-10	-9		-19		-19
<b>Total</b>	<b>-12</b>	<b>-10</b>	<b>-</b>	<b>-22</b>	<b>-</b>	<b>-22</b>
Other items not affecting cash	-9	0	0	-9	1	-8
<b>Assets</b>						
Interests in associated companies		414		414		414
Deferred tax assets						77
Other assets						10,974
<b>Total assets</b>						<b>11,465</b>
Investments in non-current assets	33	412	2	447	21	468
<b>Liabilities</b>						
Equity						2,815
Liabilities						8,650
<b>Total liabilities and equity</b>						<b>11,465</b>

SEK M	Service			Car		
	Sweden	Norway	Western Europe	Sweden	Norway	Western Europe
<b>Turnover</b>						
External sales	812	274	135	3,208	1,635	620
Internal sales	206	114	20			
<b>Total turnover</b>	<b>1,018</b>	<b>388</b>	<b>155</b>	<b>3,208</b>	<b>1,635</b>	<b>620</b>
Depreciation/amortisation	-16	-5	-7	-110	-8	-6
<b>Operational earnings</b>	<b>112</b>	<b>41</b>	<b>16</b>	<b>38</b>	<b>19</b>	<b>-11</b>
Shares in profits of associated companies				6		
<b>Revenue and costs that affect comparability:</b>						
- Profit from sale of operation, other						
- Structural costs etc.		-1			0	-1
- Acquisition-related costs and value adjustments	-1	0			0	
- Amortisation of surplus values	-3	-2	-5	-3	-3	-3
<b>Total</b>	<b>-4</b>	<b>-3</b>	<b>-5</b>	<b>-3</b>	<b>-3</b>	<b>-4</b>
Other items not affecting cash	-9	0	0	-6	6	0
Interests in associated companies				414		
Investments in non-current assets	29	3	1	338	71	3

SEK M	Revenues from customers	Non-current assets
<b>Geographical segments</b>		
Sweden	4,313	5,537
Norway	1,911	1,055
Germany	252	82
Luxembourg	300	627
Belgium	203	275
Segment reconciliation	-1	-1,592
<b>Total</b>	<b>6,978</b>	<b>5,984</b>

**31 March 2017**

SEK M	Service	Car	Fuel	Total	Segment reconciliation	Group
<b>Net turnover</b>						
External sales	1,117	5,431	265	6,813	2	6,815
Internal sales	383			383	-383	-
<b>Total net turnover</b>	<b>1,500</b>	<b>5,431</b>	<b>265</b>	<b>7,196</b>	<b>-381</b>	<b>6,815</b>
Depreciation/amortisation	-26	-117	-1	-144	-10	-154
<b>Operational earnings/Operating profit/loss</b>	<b>193</b>	<b>74</b>	<b>11</b>	<b>278</b>	<b>-34</b>	<b>244</b>
Interest income						6
Interest expenses						-21
Shares in profits of associated companies		5		5		5
<b>Profit before tax</b>						<b>234</b>
Tax expense for the period						-53
<b>Net profit for the period</b>						<b>181</b>
<b>Revenue and costs that affect comparability:</b>						
- Profit from sale of operation, other	6	2		8		8
- Structural costs etc.	-6	-5		-11		-11
- Acquisition-related costs and value adjustments	0	-1		-1		-1
- Amortisation of surplus values	-10	-9		-19		-19
<b>Total</b>	<b>-10</b>	<b>-13</b>	<b>-</b>	<b>-23</b>	<b>-</b>	<b>-23</b>
Other items not affecting cash	-12	-5	0	-17	8	-9
<b>Assets</b>						
Interests in associated companies		386		386		386
Deferred tax assets						81
Other assets						10,285
<b>Total assets</b>						<b>10,752</b>
Investments in non-current assets	34	316	3	353	16	369
<b>Liabilities</b>						
Equity						2,684
Liabilities						8,068
<b>Total liabilities and equity</b>						<b>10,752</b>

SEK M	Service			Car		
	Sweden	Norway	Western Europe	Sweden	Norway	Western Europe
<b>Turnover</b>						
External sales	726	289	102	3,245	1,581	605
Internal sales	263	103	17			
<b>Total turnover</b>	<b>989</b>	<b>392</b>	<b>119</b>	<b>3,245</b>	<b>1,581</b>	<b>605</b>
Depreciation/amortisation	-15	-4	-7	-102	-8	-7
<b>Operational earnings</b>	<b>127</b>	<b>61</b>	<b>5</b>	<b>61</b>	<b>15</b>	<b>-2</b>
Shares in profits of associated companies				5		
<b>Revenue and costs that affect comparability:</b>						
- Profit from sale of operation, other	6			2		
- Structural costs etc.	-6			-5		
- Acquisition-related costs and value adjustments	0			-1		
- Amortisation of surplus values	-4	-2	-4	-3	-2	-4
<b>Total</b>	<b>-4</b>	<b>-2</b>	<b>-4</b>	<b>-7</b>	<b>-2</b>	<b>-4</b>
Other items not affecting cash	-12	0	0	-16	11	0
Interests in associated companies				386		
Investments in non-current assets	28	4	2	287	21	8

SEK M	Revenues from customers	Non-current assets
<b>Geographical segments</b>		
Sweden	4,238	5,232
Norway	1,870	941
Germany	251	64
Luxembourg	263	598
Belgium	193	268
Segment reconciliation	0	-1,592
<b>Total</b>	<b>6,815</b>	<b>5,511</b>

## Note 5 – Acquisitions

On 2 January 2018, Bilia acquired Bilسالongen AS, a BMW and MINI dealership in Norway. The operation is conducted in a facility in Skien and comprises sales of BMW and MINI cars plus service. The business has an annual turnover of about SEK 340 M, with an operating profit of about SEK 8 M per year. The purchase consideration was SEK 58 M. The entire purchase consideration was paid in cash. There is no contingent purchase consideration.

The acquisition is expected to result in synergies with the rest of Bilia's BMW operation in Norway and will enable Bilia to grow with BMW in Norway while bringing MINI into the business as well.

The operation has about 30 employees and will continue to be conducted from the present-day facility. Acquisition-related expenses amounting to SEK 0.4 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 net assets at the acquisition date:**

SEK M	Bilسالongen AS
Intangible assets	22
Property, plant and equipment	60
Long-term investments	0
Deferred tax asset	1
Inventories	48
Trade receivables and other receivables	16
Cash and cash equivalents	7
Interest-bearing liabilities	7
Trade payables and other liabilities	102
Deferred tax liability	4
<b>Net identifiable assets and liabilities</b>	<b>41</b>
Consolidated goodwill	17
<b>Net identifiable assets and liabilities, including goodwill</b>	<b>58</b>
Purchase consideration paid	58
Less: Cash and cash equivalents in acquired operation	-7
<b>Net effect on cash and cash equivalents</b>	<b>51</b>

Acquired customer relations totalling SEK 22 M are recognised as intangible assets. These customer relations will be amortised over 10 years.

The goodwill item is attributable in its entirety to synergies resulting from the acquisition.

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

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

SEK M	31 March 2018	31 December 2017	31 March 2017
Current interest-bearing liabilities	864	729	270
Non-current interest-bearing liabilities	1,233	1,163	1,146
Pension liabilities	0	-	1
Cash and cash equivalents	-109	-202	-221
Interest-bearing assets	-	0	-1
Interests in associated companies	-414	-408	-386
Non-current leased assets	0	0	0
<b>Net debt(+)/receivable(-) at end of period/year</b>	<b>1,574</b>	<b>1,282</b>	<b>809</b>

### The ratio of net debt to EBITDA

SEK M	31 March 2018	31 December 2017	31 March 2017
Operational earnings	218	1,006	267
Total depreciation/amortisation	164	647	154
-amortisation of surplus values	-19	-71	-19
-depreciation of leased vehicles with repurchase agreements	-91	-354	-83
Depreciation/amortisation added back	54	222	52
<b>EBITDA</b>	<b>272</b>	<b>1,228</b>	<b>319</b>
The ratio of net debt to EBITDA rolling 12 months, times	1.3	1.0	0.7

# Accounts - Parent Company

## Income Statement for Parent Company

SEK M	First quarter		April 17 - March 18	Full year 2017
	2018	2017		
Net turnover	118	102	439	423
Administrative expenses	-133	-116	-508	-491
<b>Operating loss <sup>1)</sup></b>	<b>-15</b>	<b>-14</b>	<b>-69</b>	<b>-68</b>
<i>Result from financial items</i>				
Income from interests in Group companies	0	0	89	89
Interest income from Group companies	13	12	42	41
Other interest income and similar line items	1	6	20	25
Interest expenses to Group companies	0	0	0	0
Interest expenses and similar line items	-7	-13	-48	-54
<b>Loss after financial items</b>	<b>-8</b>	<b>-9</b>	<b>34</b>	<b>33</b>
Appropriations	0	0	482	482
<b>Profit before tax</b>	<b>-8</b>	<b>-9</b>	<b>516</b>	<b>515</b>
Tax	-2	-2	-87	-87
<b>Net profit for the year</b>	<b>-10</b>	<b>-11</b>	<b>429</b>	<b>428</b>
<sup>1)</sup> Straight-line amortisation/depreciation by asset class:				
- Intellectual property	0	0	-1	-1
- Buildings	-3	-2	-9	-8
- Equipment, tools, fixtures and fittings	0	0	0	0
<b>Total</b>	<b>-3</b>	<b>-2</b>	<b>-10</b>	<b>-9</b>



## Balance Sheet for Parent Company, Summary

SEK M	31 March 2018	31 December 2017	31 March 2017
<b>Assets</b>			
<b>Non-current assets</b>			
<b>Intangible assets</b>			
Intellectual property	1	1	2
	<b>1</b>	<b>1</b>	<b>2</b>
<b>Property, plant and equipment</b>			
Buildings	76	73	62
Construction in progress	37	28	19
Equipment, tools, fixtures and fittings	2	2	2
	<b>115</b>	<b>103</b>	<b>83</b>
<b>Long-term investments</b>			
Interests in Group companies	1,328	1,348	1,345
Other securities held as non-current assets	0	0	0
Deferred tax asset	43	45	44
	<b>1,371</b>	<b>1,393</b>	<b>1,389</b>
<b>Total non-current assets</b>	<b>1,487</b>	<b>1,497</b>	<b>1,474</b>
<b>Current assets</b>			
<b>Current receivables</b>			
Receivables from Group companies	27	1,489	101
Other receivables	131	92	104
Cash on hand and demand deposits	1,480	107	1,410
<b>Total current assets</b>	<b>1,638</b>	<b>1,688</b>	<b>1,615</b>
<b>TOTAL ASSETS</b>	<b>3,125</b>	<b>3,185</b>	<b>3,089</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	791	801	920
	<b>958</b>	<b>968</b>	<b>1,087</b>
<b>Total equity</b>	<b>1,262</b>	<b>1,272</b>	<b>1,391</b>
<b>Untaxed reserves</b>	<b>622</b>	<b>622</b>	<b>495</b>
<b>Provisions</b>			
Deferred tax liability	5	5	3
	<b>5</b>	<b>5</b>	<b>3</b>
<b>Non-current liabilities</b>			
Bond issue	1,006	1,006	1,008
Other liabilities	5	5	5
	<b>1,011</b>	<b>1,011</b>	<b>1,013</b>
<b>Current liabilities</b>			
Liabilities to Group companies	24	88	14
Other liabilities	201	187	173
	<b>225</b>	<b>275</b>	<b>187</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3,125</b>	<b>3,185</b>	<b>3,089</b>

# Quarterly review - 8 quarters

## The Group

	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018
<b>Continuing operations</b>								
Net turnover, SEK M	6,433	5,743	6,297	6,815	7,189	6,302	7,186	6,978
Operational earnings, SEK M	240	187	265	267	261	200	278	218
Operational margin, %	3.7	3.3	4.2	3.9	3.6	3.2	3.9	3.1
Operating profit, SEK M	241	163	252	244	240	181	258	196
Operating margin, %	3.7	2.8	4.0	3.6	3.3	2.9	3.6	2.8
Profit before tax, SEK M	241	162	247	234	234	176	252	188
The ratio of net debt to EBITDA, times <sup>1)</sup>	0.7	0.5	0.7	0.7	1.1	1.1	1.0	1.3
<b>The Bilja Group</b>								
Profit/loss for the period, SEK M	193	127	173	181	183	143	184	146
Return on capital employed, % <sup>1)</sup>	29.7	28.8	26.4	26.1	25.2	24.1	23.4	21.0
Return on equity, % <sup>1)</sup>	32.9	31.0	27.9	28.3	27.4	27.3	27.0	25.2
Equity/assets ratio, %	24	25	25	25	23	24	24	25
<b>Data per share (SEK) <sup>2)</sup></b>								
Earnings/loss for the period	1.90 <sup>3)</sup>	1.25	1.65	1.75	1.80	1.40 <sup>4)</sup>	1.80 <sup>6)</sup>	1.45 <sup>7)</sup>
Equity	21	23	24	26	24	24 <sup>5)</sup>	26 <sup>7)</sup>	28 <sup>7)</sup>

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

<sup>2)</sup> Based on number of shares outstanding, 102,799,952.

<sup>3)</sup> Based on weighted average number of shares outstanding during second quarter, 102,108,394.

<sup>4)</sup> Based on weighted average number of shares outstanding during third quarter, 102,326,267.

<sup>5)</sup> Based on number of shares outstanding at 30 September 2017, 101,575,952.

<sup>6)</sup> Based on weighted average number of shares outstanding during fourth quarter, 101,221,876.

<sup>7)</sup> Based on number of shares outstanding, 100,950,952.

## Business area – Service Business

	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018
Turnover, SEK M	1,361	1,171	1,564	1,500	1,486	1,317	1,695	1,561
Operational earnings, SEK M	151	103	211	193	148	128	235	169
Margin, %	11.1	8.7	13.5	12.9	10.0	9.7	13.9	10.8
Adjusted turnover, growth in %	7.9	3.4	5.0	4.9	6.6	12.0	7.1	3.1

## Business area – Car Business

	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018
Turnover, SEK M	5,057	4,506	4,783	5,431	5,640	4,961	5,575	5,463
Operational earnings, SEK M	103	86	72	74	122	75	62	46
Margin, %	2.0	1.9	1.5	1.4	2.2	1.5	1.1	0.9
New cars delivered, number	13,361	10,856	13,291	13,141	14,958	11,480	13,317	12,388
Order backlog of new cars, number	10,319	12,082	11,327	12,881	11,292	11,441	11,495	12,809
Used cars delivered, number	11,254	11,276	11,341	11,786	12,660	11,701	11,486	11,904

## Business area – Fuel Business

	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018
Turnover, SEK M	273	263	271	265	299	284	293	289
Operational earnings, SEK M	6	5	6	11	8	6	7	14
Margin, %	2.3	1.8	2.3	4.0	2.6	2.3	2.3	4.8

# 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.

**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.

**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.

**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 [bilja.com/en//finances/finances/performance-measures/](http://bilja.com/en//finances/finances/performance-measures/).

# Additional Bilia disclosures

## Press and analyst meeting

On Friday, 27 April 2018, Bilia is hosting press and analyst meetings where CEO Per Avander and CFO Kristina Franzén will present the interim report and answer questions. There will be a meeting in Swedish at 09:00 AM and a meeting in English at 02:00 PM. These are telephone meetings and the telephone number for phoning in is +46 (0)8 22 90 90, code 694754.

## Contact

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## Calendar

Interim report April-June 2018: 26 July 2018

Interim report July-September 2018: 26 October 2018

Year-end report for full year 2018: 8 February 2019

## 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.

Gothenburg, 27 April 2018  
Bilia AB (publ)  
Board of Directors

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 27 April 2018, 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 134 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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