



The second quarter of 2018

The highest ever operational earnings for a quarter

The second quarter of 2018

- Net turnover amounted to SEK 8,329 M (7,189), an increase of 16 per cent.
- Operational earnings amounted to SEK 299 M (261).
- The improved profit was attributable to high growth and strong profit in the Service Business.
- Profit for the period amounted to SEK 216 M (183) and earnings per share to SEK 2.15 (1.80).
- Operating cash flow amounted to SEK 497 M (-98).

The first six months of 2018

- Net turnover amounted to SEK 15,307 M (14,004), an increase of 9 per cent.
- Operational earnings amounted to SEK 517 M (528).
- Profit for the period amounted to SEK 362 M (364) and earnings per share to SEK 3.60 (3.55).
- Operating cash flow amounted to SEK 323 M (186).

Events after the end of the quarter

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

SEK M	Second quarter		First six months		July 17 - June 18	Full year 2017
	2018	2017	2018	2017		
The Group						
Net turnover	8,329	7,189	15,307	14,004	28,795	27,492
Operational earnings ¹⁾	299	261	517	528	995	1,006
Operational margin, %	3.6	3.6	3.4	3.8	3.5	3.7
Operating profit	274	240	470	484	909	923
Operating margin, %	3.3	3.3	3.1	3.5	3.2	3.4
Profit before tax	270	234	458	468	886	896
Net profit for the period/year	216	183	362	364	689	691
Earnings per share, SEK ²⁾	2.15	1.80	3.60	3.55	6.80	6.75

¹⁾ For reconciliation of operational earnings with operating profit, see Note 3.

²⁾ 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

High growth in the Service Business Used-car market in Car Business remains challenging



Results for the second quarter

There was stronger demand for service work compared with last year and the Service Business reported growth of just over 8 per cent for comparable operations and working days. Operational earnings improved by SEK 61 M or 41 per cent and the margin increased to 12.3 per cent compared with 10.0 per cent last year. Demand for new cars was slightly stronger compared with last year. However, the Car Business reported a decrease in profit of SEK 20 M attributable to sales of used cars. New car stocks decreased during the second quarter, which contributed to the strong cash flow of SEK 497 M.

Now over 100,000 customers with service subscriptions

At the end of the second quarter we had just over 101,000 customers with service subscriptions. The service subscriptions give our customers a convenient and simple existence at a favourable price, and also enable us to offer customers further services for their cars' needs. Furthermore, at the end of the second quarter we stored almost 290,000 tyres on behalf of our customers at our 78 'tyre hotels' in Sweden and Norway. In addition to sales of tyres, each tyre change generates a visit to one of our facilities, which creates further opportunities for us to offer our customers all the products and services a car owner might need. We offer our customers the potential to receive beneficial terms for fuel, car washes and car-ownership financing. Every month we send specific car-ownership offers to our customers via our CarPay app and our Bilia card in Sweden.

Developments on the car markets now more uncertain

Car registrations in our markets were higher in the second quarter compared with last year, which can mainly be attributed to changes in tax rules in Sweden and Norway that come into effect on 1 July this year. Industry analysts expect demand for cars in 2018 as a whole to remain at a high level for all our markets. However, personally I feel that the second half of the year will present challenges in terms of sales. Customers are adopting a wait-and-see approach, and this is reflected in the order intake and backlog of orders, which were 13 and 25 per cent lower than last year respectively.

Electrification of Norwegian car market continues

Norway is still characterised by strong growth in electric, plug-in and hybrid cars, and together they accounted for 58 per cent of cars sold during the year. Changes to the tax system came into effect on 1 July 2018 and as a result pure electric cars are being favoured, to the detriment of cars that use other types of fuel, including plug-in hybrids. It is crucial to have a product and model offering that matches current tax systems. The new tax system is expected to have an adverse impact on our sales in the short term as the brands we work with offer only a limited number of pure electric cars. When they launch more electric cars in 2020, we will be well positioned again in the market.

Per Avander, Managing Director and CEO

Group results

Net turnover and earnings

The second quarter of 2018

Net turnover amounted to SEK 8,329 M (7,189). Adjusted for comparable operations and exchange rate fluctuations, net turnover increased by approximately 13 per cent.

Operating profit amounted to SEK 274 M (240). Adjusted for revenue and costs affecting comparability, **operational earnings** amounted to SEK 299 M (261) with an operational margin of 3.6 per cent (3.6). The Service Business reported a profit that was better than last year, mainly attributable to a high underlying growth and more working days. The Car Business reported a profit that was lower than last year, attributable to sales of used cars.

The Group's underlying overheads increased by approximately 7 per cent on last year. Overheads equated to 11.4 per cent of net turnover, which was 0.7 percentage points lower than last year. As a result of the profit level and customer satisfaction during the quarter, a provision totalling SEK 5 M (7) was made for employee bonuses in Sweden.

The operation in Sweden reported a profit of SEK 226 M (206) and a margin of 4.2 per cent (4.5). Profit in the Norwegian operation totalled SEK 71 M (50) and the margin was 3.4 per cent (2.9). The operation in Western Europe reported a profit of SEK 20 M (22) and a margin of 2.2 per cent (2.6). The car market in Germany remained challenging in terms of profitability. The operating loss for the Parent Company in the second quarter amounted to SEK -22 M (-18).

Profit for the period amounted to SEK 216 M (183) and earnings per share to SEK 2.15 (1.80). Exchange rate fluctuations did not have a material impact on profit.

The number of employees increased by 65 to 4,804 during the quarter.

The first six months of 2018

Net turnover amounted to SEK 15,307 M (14,004). Adjusted for comparable operations and exchange rate fluctuations, net turnover increased by approximately 7 per cent.

Operating profit amounted to SEK 470 M (484). Adjusted for revenue and costs affecting comparability, **operational earnings** amounted to SEK 517 M (528) with an operational margin of 3.4 per cent (3.8). The Service Business reported a profit that was better than last year, mainly attributable to higher turnover than last year. The Car Business reported a profit that was lower than last year, attributable to sales of used cars.

The Group's underlying overheads increased by approximately 6 per cent on last year. Overheads equated to 12.0 per cent of net turnover, which was 0.2 percentage points lower than last year. As a result of the profit level and customer satisfaction during the first six months, a provision totalling SEK 11 M (13) was made for employee bonuses in Sweden.

The operation in Sweden reported a profit of SEK 390 M (406) and a margin of 4.0 per cent (4.6). Profit in the Norwegian operation totalled SEK 131 M (125) and the margin was 3.3 per cent (3.5). The operation in Western Europe reported a profit of SEK 25 M (25) and a margin of 1.5 per cent (1.6). The car market in Germany remained challenging in terms of profitability. The operating loss for the Parent Company in the first six months amounted to SEK -37 M (-32).

Profit for the period amounted to SEK 362 M (364) and earnings per share to SEK 3.60 (3.55). Exchange rate fluctuations did not have a material impact on profit.

The number of employees increased by 96 to 4,804 during the first six months of the year. Adjusted for acquired operations, the number of employees increased by 66.

Net turnover by geographic market

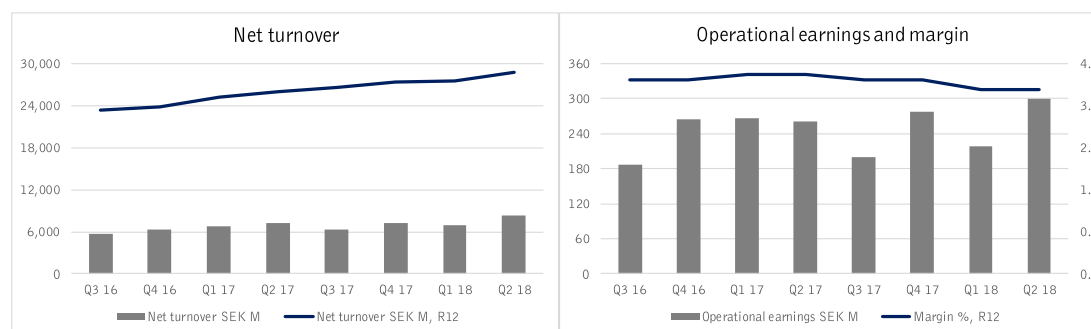
SEK M	Second quarter		First six months		July 17 - June 18	Full year 2017
	2018	2017	2018	2017		
Sweden	5,356	4,604	9,663	8,840	18,058	17,235
Norway	2,066	1,723	3,977	3,593	7,708	7,324
Western Europe	902	859	1,657	1,566	3,014	2,923
Parent Company, other	5	3	10	5	15	10
Total	8,329	7,189	15,307	14,004	28,795	27,492

Operational earnings by geographic market

SEK M	Second quarter		First six months		July 17 - June 18	Full year 2017
	2018	2017	2018	2017		
Sweden	226	206	390	406	757	773
Norway	71	50	131	125	249	243
Western Europe	20	22	25	25	53	53
Parent Company, other	-18	-17	-29	-28	-64	-63
Total	299	261	517	528	995	1,006

Margin by geographic market

Per cent	Second quarter		First six months		July 17 - June 18	Full year 2017
	2018	2017	2018	2017		
Sweden	4.2	4.5	4.0	4.6	4.2	4.5
Norway	3.4	2.9	3.3	3.5	3.2	3.3
Western Europe	2.2	2.6	1.5	1.6	1.8	1.8
Parent Company, other	-	-	-	-	-	-
Total	3.6	3.6	3.4	3.8	3.5	3.7



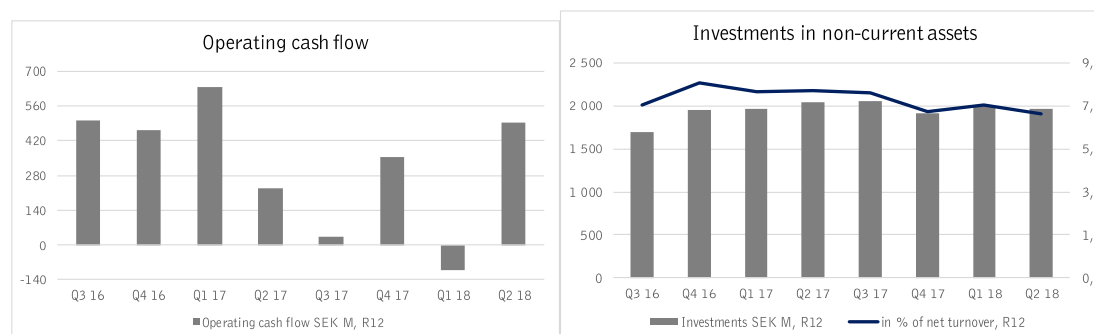
Net financial items and tax

Net financial items for the second quarter amounted to SEK -4 M (-6).

Tax for the second quarter amounted to SEK -54 M (-51), and the effective tax rate was 20 per cent (22). The decision to reduce future tax rates in Sweden had a positive impact on the effective tax rate.

Operating cash flow

Operating cash flow for the second quarter amounted to SEK 497 M (-98). Operating cash flow for the period was positively impacted by the decrease in new car inventories. After acquisitions and disposals of operations and changes in financial assets, cash flow amounted to SEK 497 M (-102).



Financial position

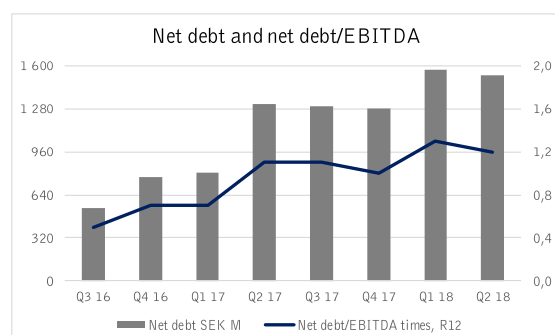
The **total assets** increased by SEK 691 M during the first six months, and amounted to SEK 11,649 M. The increase compared with 31 December 2017 was primarily attributable to higher trade receivables related to high deliveries of cars at the end of the second quarter.

Equity decreased by SEK 20 M during the first six months, and amounted to SEK 2,600 M. A dividend of SEK 456 M was paid to shareholders.

The **equity/assets ratio** amounted to 22 per cent (23).

Net debt increased by SEK 244 M during the first six months, and amounted to SEK 1,526 M. A dividend of SEK 456 M was paid to shareholders.

The ratio of net debt to EBITDA was 1.2 times compared with 1.0 times on 31 December 2017 and 1.1 times the previous year.



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

Investments

Acquisitions of non-current assets during the second quarter amounted to SEK 61 M (124) excluding lease vehicles and SEK 555 M (590) including lease vehicles. Replacement investments represented SEK 12 M (16), expansion investments SEK 13 M (23), environmental investments SEK 3 M (1), investments in new construction and additions to properties SEK 19 M (77), finance leases SEK 14 M (7) and leased vehicles SEK 494 M (466).

Investments in non-current assets by geographic market

SEK M	Second quarter		First six months		July 17 - June 18	Full year 2017
	2018	2017	2018	2017		
Sweden	377	532	746	850	1,427	1,531
Norway	146	13	220	38	407	225
Western Europe	7	27	11	37	48	74
Parent Company, other	25	18	46	34	90	78
Total	555	590	1,023	959	1,972	1,908

Notable events

Events during the second quarter

- The AGM decided to set up a long-term incentive programme in the form of a share savings programme. The programme is targeted at approximately 40 senior officers and other key persons at Bilia.

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.

Further information about the above-mentioned events and important events in previous quarters, along with other press information, is available at bilias.com.

Notable events after the end of the quarter

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

Service Business

Continued growth with improved profits and margin

The second quarter of 2018

- Turnover amounted to SEK 1,697 M (1,486).
- Operational earnings amounted to SEK 209 M (148).
- The margin was 12.3 per cent (10.0).

The first six months of 2018

- Turnover amounted to SEK 3,258 M (2,986).
- Operational earnings amounted to SEK 378 M (341).
- The margin was 11.6 per cent (11.4).

Turnover and earnings

The second quarter of 2018

The Service Business continued to grow during the second quarter and the adjusted turnover for Sweden and Norway increased by 8.2 per cent. There was one more working day in Sweden, two more working days in Norway, Germany and Luxembourg, and the same number of working days in Belgium in the second quarter compared with last year.

Growth in the Service Business						
	Second quarter			First six months		
Per cent	Sweden	Norway	Total	Sweden	Norway	Total
<i>Change from last year</i>						
Underlying turnover	9.4	13.3	10.4	5.4	5.8	5.5
Calendar effect	-1.7	-3.4	-2.2	0.0	0.8	0.2
Adjusted turnover	7.7	9.9	8.2	5.4	6.6	5.7

Profit in the Service Business continued to grow and operational earnings increased by SEK 61 M or 41 per cent compared with last year. Operational earnings amounted to SEK 209 M (148), with a margin of 12.3 per cent (10.0). The improved profit, for all regions, was primarily attributable to higher turnover compared with last year.

Adjusted turnover for the Service Business in Sweden increased by 7.7 per cent and operational earnings amounted to SEK 136 M (108). The number of mechanics in Sweden also increased slightly during the second quarter, but we still need to employ more mechanics.

Adjusted turnover for the Service Business in Norway increased by 9.9 per cent and operational earnings amounted to SEK 52 M (36).

In Western Europe, the operational earnings in the Service Business increased by SEK 17 M compared with last year. Operational earnings totalled SEK 21 M (4).

The first six months of 2018

The Service Business also showed good growth for the first six months of the year as a whole and the adjusted turnover for Sweden and Norway increased by 5.7 per cent.

The Service Business's profit continued to grow during the first six months and operational earnings increased by SEK 37 M or 11 per cent compared with last year. Operational earnings amounted to SEK 378 M (341), with a margin of 11.6 per cent (11.4). The improved profit, for all regions, was primarily attributable to higher turnover compared with last year.

Adjusted turnover for the Service Business in Sweden increased by 5.4 per cent and operational earnings amounted to SEK 248 M (235). The number of mechanics in Sweden also increased slightly during the first six months, but we still need to employ more mechanics.

Adjusted turnover for the Service Business in Norway increased by 6.6 per cent and operational earnings amounted to SEK 93 M (97).

In Western Europe, the operational earnings in the Service Business increased by SEK 28 M compared with last year. Operational earnings totalled SEK 37 M (9).

Turnover by geographic market

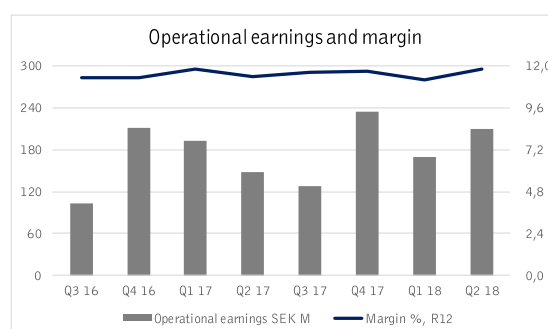
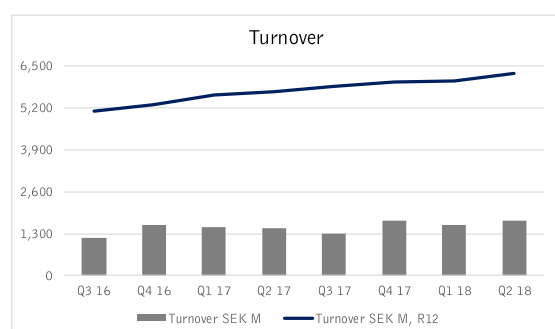
SEK M	Second quarter		First six months		July 17 - June 18	Full year 2017
	2018	2017	2018	2017		
Sweden	1,098	1,000	2,116	1,989	4,091	3,964
Norway	432	355	820	747	1,553	1,480
Western Europe	167	131	322	250	626	554
Total	1,697	1,486	3,258	2,986	6,270	5,998

Operational earnings by geographic market

SEK M	Second quarter		First six months		July 17 - June 18	Full year 2017
	2018	2017	2018	2017		
Sweden	136	108	248	235	516	503
Norway	52	36	93	97	163	167
Western Europe	21	4	37	9	62	34
Total	209	148	378	341	741	704

Margin by geographic market

Per cent	Second quarter		First six months		July 17 - June 18	Full year 2017
	2018	2017	2018	2017		
Sweden	12.3	10.8	11.7	11.8	12.6	12.7
Norway	12.1	10.1	11.3	13.0	10.5	11.3
Western Europe	12.4	3.3	11.2	4.0	9.9	6.2
Total	12.3	10.0	11.6	11.4	11.8	11.7



Car Business

Lower profit from used-car sales

The second quarter of 2018

- Turnover amounted to SEK 6,632 M (5,640).
- Operational earnings amounted to SEK 102 M (122).
- The margin was 1.5 per cent (2.2).

The first six months of 2018

- Turnover amounted to SEK 12,095 M (11,071).
- Operational earnings amounted to SEK 148 M (196).
- The margin was 1.2 per cent (1.8).

Turnover and earnings

The second quarter of 2018

The Car Business's deliveries of new cars and transport vehicles for comparable operations increased by 5 and 57 per cent respectively. Deliveries of used cars were on a par with last year.

The order intake for new cars for comparable operations decreased by 13 per cent compared with last year. The order backlog decreased by 4,236 cars during the second quarter, amounting to 8,324 cars, which was 2,804 cars fewer than last year.

New cars by geographic market

Number of	Deliveries						Order backlog	
	Second quarter		First six months		July 17 -	Full year	30 June	30 June
	2018	2017	2018	2017	June 18	2017	2018	2017
Sweden	11,738	10,834	20,255	19,873	37,235	36,853	5,031	7,457
Norway ¹⁾	2,612	2,364	5,327	5,001	10,266	9,940	2,104	2,651
Western Europe	1,536	1,760	2,692	3,225	5,570	6,103	1,189	1,020 ²⁾
Total	15,886	14,958	28,274	28,099	53,071	52,896	8,324	11,128 ²⁾

¹⁾ Bilsalongen is included in deliveries during the quarter with 110 (-) and during the first six months with 206 (-) and with 72 (-) in order backlog.

²⁾ Earlier figures published for Western Europe have been corrected.

Used cars by geographic market

Number of	Deliveries					
	Second quarter		First six months		July 17 -	Full year
	2018	2017	2018	2017	June 18	2017
Sweden	8,929	8,585	16,931	16,590	33,292	32,951
Norway ¹⁾	2,436	2,772	5,137	5,372	10,066	10,301
Western Europe	1,333	1,303	2,534	2,484	4,431	4,381
Total	12,698	12,660	24,602	24,446	47,789	47,633

¹⁾ Bilsalongen is included in deliveries during the quarter with 117 (-) and during the first six months with 233 (-).

Turnover for the Car Business was affected by a higher average selling price than last year, attributable to the mixture of brands and models of the delivered cars.

Operational earnings for the Car Business in the second quarter were SEK 20 M lower than last year, attributable to a lower gross profit margin and higher relative costs in sales of used cars. The turnover rate of the stock of used cars has continued to be a priority in the second quarter and it remained at a high level. Profit from sales of used cars amounted to SEK 3 M (23).

Operational earnings for the Car Business in Sweden were SEK 8 M lower than last year, attributable to a lower gross profit margin in sales of used cars. Profit from sales of used cars amounted to SEK 14 M (25). The number of used cars in stock was slightly too high.

Operational earnings for the Car Business in Norway were SEK 7 M higher than last year, attributable to a higher average selling price in sales of new cars. The loss from sales of used cars amounted to SEK -5 M (+3), attributable to lower turnover and higher relative costs.

Operational earnings for the Car Business in Western Europe were SEK 19 M lower than last year, mainly attributable to a lower turnover and gross profit margin in sales of new cars. The loss from sales of used cars amounted to SEK -6 M (-5).

The agreed savings programme, with annual savings of SEK 55 M from 2019, is being implemented.

The first six months of 2018

The Car Business's deliveries of new cars and transport vehicles for comparable operations increased by 1 and 21 per cent respectively. Deliveries of used cars were on a par with last year.

The order intake for new cars for comparable operations decreased by 10 per cent during the first six months compared with last year.

Turnover for the Car Business was affected by a higher average selling price than last year, attributable to the mixture of brands and models of the delivered cars.

Operational earnings for the Car Business in the first six months were SEK 48 M lower than last year, attributable to a lower gross profit margin and higher relative costs in sales of used cars. The loss from sales of used cars amounted to SEK -3 M (+34). Profit from sales of new cars was SEK 11 M lower than last year, mainly attributable to transport vehicles in Sweden.

Operational earnings for the Car Business in Sweden were SEK 31 M lower than last year, attributable to sales of new transport vehicles and used cars. The lower profit from sales of new transport vehicles was attributable to a lower gross profit margin and higher relative costs compared with last year. Profit from sales of used cars amounted to SEK 24 M (43), attributable to a lower gross profit margin.

Operational earnings for the Car Business in Norway were SEK 11 M higher than last year, attributable to sales of new cars. The improvement can be explained by a higher average selling price per car than last year. The loss from sales of used cars amounted to SEK -15 M (-1), attributable to slightly lower turnover and higher relative costs.

Operational earnings for the Car Business in Western Europe were SEK 28 M lower than last year, mainly attributable to a lower turnover and gross profit margin in sales of new cars. The loss from sales of used cars amounted to SEK -12 M (-8).

Turnover by geographic market

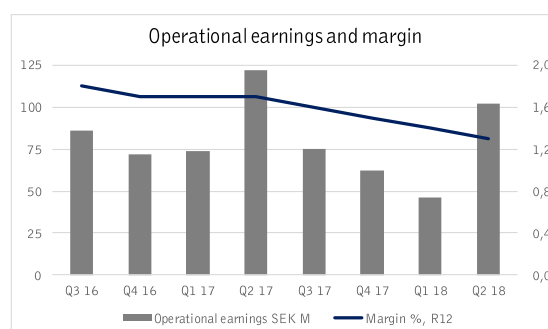
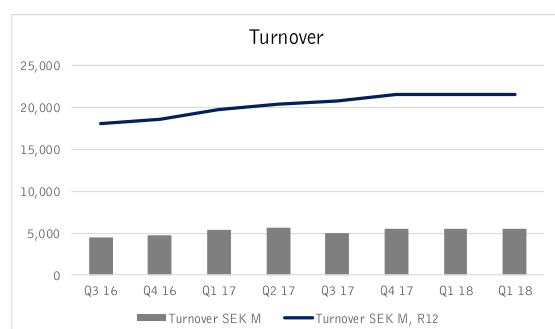
SEK M	Second quarter		First six months		July 17 - June 18	Full year 2017
	2018	2017	2018	2017		
Sweden	4,127	3,434	7,335	6,679	13,572	12,916
Norway	1,751	1,468	3,386	3,049	6,595	6,258
Western Europe	754	738	1,374	1,343	2,464	2,433
Total	6,632	5,640	12,095	11,071	22,631	21,607

Operational earnings by geographic market

SEK M	Second quarter		First six months		July 17 - June 18	Full year 2017
	2018	2017	2018	2017		
Sweden	84	92	122	153	207	238
Norway	19	12	38	27	87	76
Western Europe	-1	18	-12	16	-9	19
Total	102	122	148	196	285	333

Margin by geographic market

Per cent	Second quarter		First six months		July 17 - June 18	Full year 2017
	2018	2017	2018	2017		
Sweden	2.0	2.7	1.7	2.3	1.5	1.8
Norway	1.1	0.9	1.1	0.9	1.3	1.2
Western Europe	-0.1	2.5	-0.9	1.1	-0.4	0.8
Total	1.5	2.2	1.2	1.8	1.3	1.5



Fuel Business

Continued growth in the operation

The second quarter of 2018

- Turnover amounted to SEK 342 M (299).
- Operational earnings amounted to SEK 6 M (8).
- The margin was 1.8 per cent (2.6).

The first six months of 2018

- Turnover amounted to SEK 631 M (564).
- Operational earnings totalled SEK 20 M (19).
- The margin was 3.2 per cent (3.3).

Turnover and earnings

The second quarter of 2018

The Fuel Business is concentrated to Sweden and profit for the quarter amounted to SEK 6 M (8).

The first six months of 2018

The Fuel Business is concentrated to Sweden and profit for first six months of the year amounted to SEK 20 M (19).

Turnover

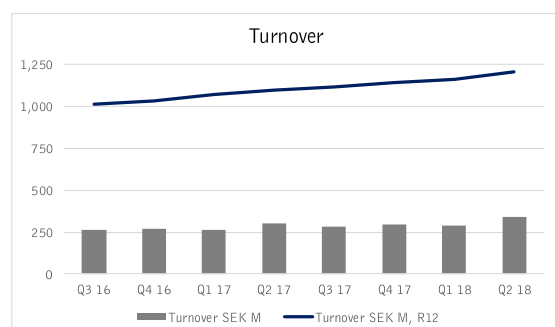
SEK M	Second quarter		First six months		July 17 - June 18	Full year 2017
	2018	2017	2018	2017		
Total	342	299	631	564	1,208	1,141

Operational earnings

SEK M	Second quarter		First six months		July 17 - June 18	Full year 2017
	2018	2017	2018	2017		
Total	6	8	20	19	33	32

Margin

Per cent	Second quarter		First six months		July 17 - June 18	Full year 2017
	2018	2017	2018	2017		
Total	1.8	2.6	3.2	3.3	2.7	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	Second quarter		First six months		July 17 -	Full year
	2018	2017	2018	2017	June 18	2017
Net turnover	8,329	7,189	15,307	14,004	28,795	27,492
Costs of goods sold	-7,097	-6,074	-12,989	-11,812	-24,346	-23,169
Gross profit	1,232	1,115	2,318	2,192	4,449	4,323
Other operating income	0	1	2	11	8	17
Selling expenses	-785	-705	-1,516	-1,384	-2,894	-2,762
Administrative expenses	-169	-167	-325	-319	-637	-631
Other operating expenses	-4	-4	-9	-16	-17	-24
Operating profit ¹⁾	274	240	470	484	909	923
Financial income	1	18	2	24	4	26
Financial expenses	-18	-33	-33	-54	-64	-85
Shares in profits of associated companies	13	9	19	14	37	32
Profit before tax	270	234	458	468	886	896
Tax	-54	-51	-96	-104	-197	-205
Net profit for the period	216	183	362	364	689	691
Other comprehensive income/loss						
<i>Items that can be reclassified to profit or loss</i>						
Translation differences attributable to foreign operations	26	-10	81	-18	85	-14
Other comprehensive income/loss after tax	26	-10	81	-18	85	-14
Comprehensive income for the period	242	173	443	346	774	677
Net profit for the period attributable to:						
Parent Company's shareholders	216	183	362	364	689	691
Comprehensive income for the period attributable to:						
Parent Company's shareholders	242	173	443	346	774	677
Weighted average number of shares, '000:						
- before dilution	100,951	102,800	100,951	102,800	101,366	102,283
- after dilution	100,986	102,800	100,969	102,800	101,375	102,283
Basic earnings/loss per share, SEK	2.15	1.80	3.60	3.55	6.80	6.75
Diluted earnings/loss per share, SEK	2.15	1.80	3.60	3.55	6.80	6.75
Weighted average number of own shares, '000	1,649	-	1,649	-	1,434	339
1) Straight-line amortisation/depreciation by asset class:						
- Intellectual property	-25	-24	-49	-48	-94	-93
- Land and buildings	-12	-8	-22	-16	-56	-50
- Equipment, tools, fixtures and fittings	-26	-25	-52	-50	-91	-89
- Leased vehicles	-104	-101	-208	-198	-425	-415
Total	-167	-158	-331	-312	-666	-647

Consolidated Statement of Financial Position, Summary

SEK M	30 June 31 2018	December 2017	30 June 2017
Assets			
Non-current assets			
Intangible assets			
Intellectual property	593	583	614
Goodwill	776	723	720
	1,369	1,306	1,334
Property, plant and equipment			
Land and buildings	600	599	562
Construction in progress	48	29	24
Equipment, tools, fixtures and fittings	478	453	458
Leased vehicles	3,091	2,966	2,969
	4,217	4,047	4,013
Long-term investments			
Financial investments ¹⁾	426	415	397
Long-term receivables ²⁾	1	0	0
	427	415	397
Deferred tax assets	72	79	81
Total non-current assets	6,085	5,847	5,825
Current assets			
Inventories, merchandise	3,543	3,408	3,185
Current receivables			
Other receivables ¹⁾	1,872	1,501	1,467
Cash and cash equivalents ²⁾	149	202	128
Total current assets	5,564	5,111	4,780
TOTAL ASSETS	11,649	10,958	10,605
Equity and liabilities			
Equity			
Share capital	257	257	257
Other contributed capital	167	167	167
Reserves	43	-38	-42
Retained earnings including net profit for the year	2,133	2,234	2,060
Total equity	2,600	2,620	2,442
Non-current liabilities			
Bond issue ³⁾	1,005	1,006	1,007
Interest-bearing liabilities ⁴⁾	240	163	145
Other liabilities and provisions	2,251	2,246	2,263
	3,496	3,415	3,415
Current liabilities			
Interest-bearing liabilities ⁴⁾	855	729	687
Other liabilities and provisions	4,698	4,194	4,061
	5,553	4,923	4,748
TOTAL EQUITY AND LIABILITIES	11,649	10,958	10,605
Assets			
¹⁾ Of which interest-bearing	419	408	390
²⁾ Interest-bearing	150	202	128
Liabilities			
³⁾ Of which interest-bearing	1,000	1,000	1,000
⁴⁾ Interest-bearing	1,095	892	832

Statement of Changes in Group Equity, Summary

SEK M	30 June 2018	31 December 2017	30 June 2017
Opening balance	2,620	2,511	2,511
Cash dividend to shareholders	-456	-412	-411
Incentive programme	0	-	-
Buy-back of own shares	-	-147	-
Revaluation of put option	-7	-9	-4
Comprehensive income for the year	443	677	346
Equity at end of period	2,600	2,620	2,442

Consolidated Statement of Cash Flows

SEK M	Second quarter		First six months		July 17 - June 18	Full year 2017
	2018	2017	2018	2017		
Operating activities						
Profit before tax	270	234	458	468	886	896
Depreciation and impairment losses	167	158	331	312	711	692
Other items not affecting cash	-7	-7	-15	-16	-57	-58
Tax paid	-53	-48	-106	-120	-189	-203
Change in inventories	304	385	28	271	-214	29
Change in operating receivables	-363	-109	-302	-3	-339	-40
Change in operating liabilities	325	-307	283	-158	418	-23
Cash flow from operating activities	643	306	677	754	1,216	1,293
Investing activities						
Acquisition of non-current assets (intangible and tangible)	-61	-124	-137	-200	-268	-331
Disposal of non-current assets (intangible and tangible)	0	3	0	4	3	7
Acquisition of leased vehicles	-494	-466	-886	-759	-1,704	-1,577
Disposal of leased vehicles	409	183	669	387	1,245	963
<i>Operating cash flow</i>	<i>497</i>	<i>-98</i>	<i>323</i>	<i>186</i>	<i>492</i>	<i>355</i>
Investment in financial assets	-1	-2	-1	-2	-3	-4
Disposal of financial assets	1	2	1	12	2	13
Acquisition of subsidiary/operation, net	0	-5	-51	-345	-50	-344
Disposal of subsidiary/operation, net	0	1	0	54	0	54
Cash flow from investing activities	-146	-408	-405	-849	-775	-1,219
Cash flow after net investments	497	-102	272	-95	441	74
Financing activities						
Borrowings	2,035	438	2,683	662	2,938	917
Repayment of loans	-2,021	0	-2,522	-100	-2,703	-281
Repayment of lease liabilities	-15	-14	-29	-27	-56	-54
Buy-back of own shares	0	0	0	0	-147	-147
Revaluation of put option	-1	-4	-7	-4	-12	-9
Dividend paid to the company's shareholders	-456	-411	-456	-411	-457	-412
Cash flow from financing activities	-458	9	-331	120	-437	14
Change in cash and cash equivalents, excl. translation differences						
	39	-93	-59	25	4	88
Exchange difference in cash and cash equivalents	1	0	6	-1	17	10
Change in cash and cash equivalents	40	-93	-53	24	21	98
Cash and cash equivalents at start of period	109	221	202	104	128	104
Cash and cash equivalents at end of period	149	128	149	128	149	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 came into force and 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 came into force and 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, and their introduction has 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 cost of SEK 0.5 M that is matched by a revenue stemming from revaluation of assets in foreign currencies. The effect on the Group's profit is SEK 0 M.

Calculation of fair value

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

Note 3 – 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 2018 primarily relate to expenses for reducing employees. “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.

SEK M	Second quarter		First six months		July 17 - June 18	Full year 2017
	2018	2017	2018	2017		
The Group						
Operational earnings	299	261	517	528	995	1,006
- Gain from sale of operation	0	0	0	8	0	8
- Structural costs etc.	-6	-2	-8	-13	-12	-17
- Acquisition-related costs and value adjustments	-1	-1	-2	-2	-3	-3
- Amortisation of surplus values	-18	-18	-37	-37	-71	-71
Operating profit	274	240	470	484	909	923

Note 4 – Group's operating segments

30 June 2018

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

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

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

30 June 2017

SEK M	Service	Car	Fuel	Total	Segment reconciliation	Group
Net turnover						
External sales	2,364	11,071	564	13,999	5	14,004
Internal sales	622			622	-622	-
Total net turnover	2,986	11,071	564	14,621	-617	14,004
Depreciation/amortisation	-52	-239	-2	-293	-19	-312
Operational earnings/Operating profit/loss	341	196	19	556	-72	484
Interest income						24
Interest expenses						-54
Shares in profits of associated companies		14		14		14
Profit before tax						468
Tax expense for the period						-104
Net profit for the period						364
Revenue and costs that affect comparability:						
- Profit from sale of operation, other	6	2		8		8
- Structural costs etc.	-7	-6		-13		-13
- Acquisition-related costs and value adjustments	-1	-1		-2		-2
- Amortisation of surplus values	-19	-18		-37		-37
Total	-21	-23	-	-44	-	-44
Assets						
Interests in associated companies		390		390		390
Deferred tax assets						81
Other assets						10,134
Total assets						10,605
Investments in non-current assets	91	829	5	925	34	959
Liabilities						
Equity						2,442
Liabilities						8,163
Total liabilities and equity						10,605

SEK M	Service			Car		
	Sweden	Norway	Western Europe	Sweden	Norway	Western Europe
Turnover						
External sales	1,600	541	223	6,679	3,049	1,343
Internal sales	389	206	27			
Total turnover	1,989	747	250	6,679	3,049	1,343
Depreciation/amortisation	-31	-8	-13	-209	-17	-13
Operational earnings	235	97	9	153	27	16
Shares in profits of associated companies				14		
Revenue and costs that affect comparability:						
- Profit from sale of operation, other	6			2		
- Structural costs etc.	-6	-1		-5	-1	
- Acquisition-related costs and value adjustments	-1			-1		
- Amortisation of surplus values	-7	-4	-8	-6	-4	-8
Total	-8	-5	-8	-10	-5	-8
Interests in associated companies				390		
Investments in non-current assets	67	10	14	778	28	23

SEK M	Revenues from customers	Non-current assets
Geographical segments		
Sweden	8,845	5,507
Norway	3,593	891
Germany	501	73
Luxembourg	638	608
Belgium	427	270
Segment reconciliation	0	-1,605
Total	14,004	5,744

Note 5 – Acquisitions

On 2 January 2018, Bilia acquired Bilsalongen 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	Bilsalongen AS
Intangible assets, customer relations	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
Net identifiable assets and liabilities	41
Consolidated goodwill	17
Net identifiable assets and liabilities, including goodwill	58
Purchase consideration paid	58
Less: Cash and cash equivalents in acquired operation	-7
Net effect on cash and cash equivalents	51

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	30 June 2018	31 December 2017	30 June 2017
Current interest-bearing liabilities	855	729	687
Non-current interest-bearing liabilities	1,240	1,163	1,145
Cash and cash equivalents	-149	-202	-128
Interest-bearing assets	-1	0	0
Interests in associated companies	-419	-408	-390
Net debt(+)/receivable(-) at end of period/year	1,526	1,282	1,314

The ratio of net debt to EBITDA

SEK M	30 June 2018	31 December 2017	30 June 2017
Operational earnings	517	1,006	528
Total depreciation/amortisation	331	647	312
-amortisation of surplus values	-37	-71	-37
-depreciation of leased vehicles with repurchase agreements	-181	-354	-171
Depreciation/amortisation added back	113	222	104
EBITDA	630	1,228	632
The ratio of net debt to EBITDA rolling 12 months, times	1.2	1.0	1.1

Accounts - Parent Company

Income Statement for Parent Company

SEK M	Second quarter		First six months		July 17 - June 18	Full year 2017
	2018	2017	2018	2017		
Net turnover	118	105	236	207	452	423
Administrative expenses	-140	-123	-273	-239	-525	-491
Operating loss ¹⁾	-22	-18	-37	-32	-73	-68
<i>Result from financial items</i>						
Income from interests in Group companies	69	113	69	113	45	89
Interest income from Group companies	14	11	27	23	45	41
Other interest income and similar line items	0	17	1	23	3	25
Interest expenses to Group companies	0	0	0	0	0	0
Interest expenses and similar line items	-10	-25	-17	-38	-33	-54
Loss after financial items	51	98	43	89	-13	33
Appropriations	0	0	0	0	482	482
Profit before tax	51	98	43	89	469	515
Tax	0	0	-2	-2	-87	-87
Net profit for the year	51	98	41	87	382	428
¹⁾ Straight-line amortisation/depreciation by asset class:						
- Intellectual property	0	0	0	0	-1	-1
- Buildings	-2	-2	-5	-4	-9	-8
- Equipment, tools, fixtures and fittings	0	0	0	0	0	0
Total	-2	-2	-5	-4	-10	-9

Balance Sheet for Parent Company, Summary

SEK M	30 June 2018	31 December 2017	30 June 2017
Assets			
Non-current assets			
Intangible assets			
Intellectual property	1	1	2
	1	1	2
Property, plant and equipment			
Buildings	77	73	73
Construction in progress	47	28	13
Equipment, tools, fixtures and fittings	3	2	2
	127	103	88
Long-term investments			
Interests in Group companies	1,328	1,348	1,355
Other securities held as non-current assets	0	0	0
Deferred tax asset	42	45	44
	1,370	1,393	1,399
Total non-current assets	1,498	1,497	1,489
Current assets			
Current receivables			
Receivables from Group companies	13	1,489	88
Other receivables	144	92	135
Cash on hand and demand deposits	1,266	107	1,057
	1,423	1,688	1,280
TOTAL ASSETS	2,921	3,185	2,769
Equity and liabilities			
Equity			
Restricted equity			
Share capital	257	257	257
Statutory reserve	47	47	47
	304	304	304
Non-restricted equity			
Share premium reserve	167	167	167
Retained earnings including net profit for the year	388	801	607
	555	968	774
Total equity	859	1,272	1,078
Untaxed reserves	622	622	495
Provisions			
Deferred tax liability	5	5	3
	5	5	3
Non-current liabilities			
Bond issue	1,005	1,006	1,007
Other liabilities	5	5	5
	1,010	1,011	1,012
Current liabilities			
Liabilities to credit institutes	200	-	-
Liabilities to Group companies	22	88	15
Other liabilities	203	187	166
	425	275	181
TOTAL EQUITY AND LIABILITIES	2,921	3,185	2,769

Quarterly review - 8 quarters

The Group

	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018
Continuing operations								
Net turnover, SEK M	5,743	6,297	6,815	7,189	6,302	7,186	6,978	8,329
Operational earnings, SEK M	187	265	267	261	200	278	218	299
Operational margin, %	3.3	4.2	3.9	3.6	3.2	3.9	3.1	3.6
Operating profit, SEK M	163	252	244	240	181	258	196	274
Operating margin, %	2.8	4.0	3.6	3.3	2.9	3.6	2.8	3.3
Profit before tax, SEK M	162	247	234	234	176	252	188	270
The ratio of net debt to EBITDA, times ¹⁾	0.5	0.7	0.7	1.1	1.1	1.0	1.3	1.2
The Bilja Group								
Profit/loss for the period, SEK M	127	173	181	183	143	184	146	216
Return on capital employed, % ¹⁾	28.8	26.4	26.1	25.2	24.1	23.4	21.0	20.9
Return on equity, % ¹⁾	31.0	27.9	28.3	27.4	27.3	27.0	25.2	26.6
Equity/assets ratio, %	25	25	25	23	24	24	25	22
Data per share (SEK) ²⁾								
Earnings/loss for the period	1.25	1.65	1.75	1.80	1.40 ³⁾	1.80 ⁵⁾	1.45 ⁶⁾	2.15 ⁶⁾
Equity	23	24	26	24	24 ⁴⁾	26 ⁶⁾	28 ⁶⁾	26 ⁶⁾

¹⁾ Rolling 12 months.

²⁾ Based on number of shares outstanding, 102,799,952.

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

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

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

⁶⁾ Based on number of shares outstanding, 100,950,952.

Business area – Service Business

	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018
Turnover, SEK M	1,171	1,564	1,500	1,486	1,317	1,695	1,561	1,697
Operational earnings, SEK M	103	211	193	148	128	235	169	209
Margin, %	8.7	13.5	12.9	10.0	9.7	13.9	10.8	12.3
Adjusted turnover, growth in %	3.4	5.0	4.9	6.6	12.0	7.1	3.1	8.2

Business area – Car Business

	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018
Turnover, SEK M	4,506	4,783	5,431	5,640	4,961	5,575	5,463	6,632
Operational earnings, SEK M	86	72	74	122	75	62	46	102
Margin, %	1.9	1.5	1.4	2.2	1.5	1.1	0.9	1.5
New cars delivered, number	10,856	13,291	13,141	14,958	11,480	13,317	12,388	15,886
Order backlog of new cars, number ¹⁾	12,041	11,245	12,758	11,128	11,236	11,246	12,560	8,324
Used cars delivered, number	11,276	11,341	11,786	12,660	11,701	11,486	11,904	12,698

¹⁾ Earlier figures published for Western Europe have been corrected.

Business area – Fuel Business

	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018
Turnover, SEK M	263	271	265	299	284	293	289	342
Operational earnings, SEK M	5	6	11	8	6	7	14	6
Margin, %	1.8	2.3	4.0	2.6	2.3	2.3	4.8	1.8

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/.

Additional Bilia disclosures

Press and analyst meeting

On Thursday, 26 July 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 10:30 AM. 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:

Per Avander, CEO, +46 (0)10 497 70 00, per.avander@bilias.se

Kristina Franzén, CFO, +46 (0)10-497 73 40, kristina.franzen@bilias.se

Calendar

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.

Declaration

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

Gothenburg, 26 July 2018

Mats Qviberg
Chairman

Jan Pettersson
Deputy chairman

Ingrid Jonasson Blank
Board member

Gunnar Blomkvist
Board member

Anna Engebretsen
Board member

Jack Forsgren
Board member

Laila Freivalds
Board member

Mats Holgerson
Board member

Nicklas Paulson
Board member

Jon Risfelt
Board member

Dragan Mitrasinovic
*Board member appointed
by employee organisation*

Patrik Nordvall
*Board member appointed
by employee organisation*

Per Avander
Managing Director

Gothenburg, 26 July 2018
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 Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out above, on 26 July 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.



Bilia AB (publ)
Box 9003, 400 91 Gothenburg, Sweden
Visiting address: Norra Långebergsgatan 3, Västra Frölunda
Telephone: +46 (0)10-497 70 00
bilia.com
Corporate ID No.: 556112-5690

