

BILIA ACQUIRES BMW'S OPERATIONS IN GÖTEBORG

An agreement has been reached with BMW Sverige AB to acquire BMW's dealer operations in the Göteborg area from 15 May 2009. This agreement is conditional upon the approval of the Swedish Competition Authority.

These operations are run in a separate facility with a very strategic location in Mölndal and generate a turnover of approximately SEK 700 million a year. There are 67 employees at the dealership and they will all retain their jobs.

Sales of new BMWs and MINIs in the Göteborg area have doubled during the past five years and, in 2008, they totalled 1,700 cars. During the past three years, the average operating margin has been 2.6%. In spite of a deterioration in the market situation in 2008, operations generated a strong result. The company is also expected to experience good profitability in the future, even if a downturn is expected this year. After acquisition costs, these operations are expected to contribute to Bilia's profit per share in 2009.

The purchase price, acquisition of real estate and operating assets minus operating liabilities, totals approximately SEK 120 million. Of this sum, SEK 65 million will be paid in cash on the day on which possession is taken, followed by the remainder at the beginning of 2010.

Commenting on the deal, Bilia's managing director, Jan Pettersson, had the following to say.

“When BMW asked if we were interested in acquiring its dealer operations in Göteborg, the answer was ‘yes’. An opportunity like this is positive for Bilia and it's important to take advantage of it, even if we are in the midst of a challenging period. We already have good experience of BMW's operations in Norway and we can see opportunities to develop these operations here in Sweden in collaboration with BMW Sverige AB.”

Göteborg, 7 April 2009

Bilia AB (publ)

For further information, please contact Bilia's managing director, Jan Pettersson, or its CFO Gunnar Blomkvist, Bilia AB, phone +46 31 709 55 00.