Everything to do with our finances. And then some.

Report for the third quarter of 2014

billia

Report for the third quarter of 2014

Nine months

- Net turnover amounted to SEK 14,155 M (12,778).
- Net profit for the period was SEK 266 M (162) and earnings per share SEK 10.55 (6.55).

Third quarter

- Net turnover amounted to **SEK 4,531 M (4,155).**
- Operating profit excluding items affecting comparability amounted to **SEK 119 M (96).**
- Net profit for the period was **SEK 105 M (54)** and earnings per share **SEK 4.15 (2.15).**
- Operating cash flow amounted to **SEK 597 M (29).**

In a comment on the third quarter, Bilia's Managing Director Per Avander says:

"Demand was on a par with expectations, with the exception of demand for cars in Sweden, which was better than expected. We delivered an operating profit that was better compared with last year, mainly due to strong earnings in Sweden. Both the Car Business and the Service Business reported better earnings. The order backlog of new cars increased during the quarter and was higher compared with last year. Cash flow was very strong, and net debt declined by SEK 562 M to SEK 9 M. We believe that demand for cars and service during the fourth quarter of 2014 will be on a par with the same quarter last year."

Group	Third quarter 2014	Third quarter 2013	Nine months 2014	Nine months 2013	Oct. 13 - Sept. 14	Full year 2013
Net turnover, SEK M	**4,531**	4,155	**14,155**	12,778	19,033	17,656
Operating profit excl. items affecting comparability, SEK M [1]	**119**	96	**334**	236	493	395
Operating margin excl. items affecting comparability, %	**2.6**	2.3	**2.4**	1.9	2.6	2.2
Operating profit, SEK M	**132**	76	**341**	211	498	368
Operating margin, %	**2.9**	1.8	**2.4**	1.7	2.6	2.1
Profit before tax excl. items affecting comparability, SEK M [1]	**114**	93	**318**	237	475	394
Profit before tax, SEK M	**127**	73	**325**	212	480	367
Net profit for the period / year, SEK M	**105**	54	**266**	162	394	290
Earnings per share, SEK [2]	**4.15**	2.15	**10.55**	6.55	15.70	11.70

[1] Items affecting comparability are shown in the table on page 4.
[2] The number of shares used in the calculation is shown in the table on page 13.

Notable events during 2014

- On 30 September 2014, Bilia concluded an agreement with Fastighets AB Balder on the sale of the property company that was included in the acquisition of the Toyota operation, see below. The purchase consideration amounted to SEK 48 M and the capital gain after tax was just under SEK 13 M. Bilia's net debt declined by SEK 72 M.
- On 20 January 2014, Bilia concluded an agreement with Toyota Sweden Holding AB on the acquisition of a property company and Toyota's operation in Malmö, Trelleborg and Lund. The date of possession was 1 March 2014. The purchase consideration totalled SEK 77 M, of which the dealership operation accounted for SEK 43 M and the property company SEK 34 M. An interest-bearing loan in the property company of SEK 27 M was settled when Bilia took possession, which means that the Bilia Group's capital employed and net debt increased by SEK 104 M as an effect of the acquisition.

Further information on the above events and other press information is available at www.bilia.com.

Third quarter 2014

Demand for cars and service was on a level with the second quarter of 2014. Demand for cars was slightly better than for the same quarter last year, while demand for service was on a level with last year.

Net turnover amounted to SEK 4,531 M (4,155). For comparable operations and adjusted for exchange rate changes, net turnover increased by about SEK 270 M or 7 per cent. The increase is mainly attributable to car sales.

Operating profit amounted to SEK 132 M (76). If items affecting comparability are excluded, the profit was SEK 119 M (96). The improvement is entirely attributable to the Car Business, which reported a profit that was SEK 12 M better than last year. The Service Business reported a profit that was SEK 10 M better than last year. Underlying Group overheads increased by about 2 per cent compared with last year. Overheads amounted to 12.8 per cent in relation to net turnover, which was 0.4 percentage point lower compared with last year. In view of the earnings level during the quarter, provision was made for employee bonuses of SEK 5 M (6).

Net financial items amounted to SEK -5 M (-3). The negative trend compared with last year is mainly attributable to the fact that the pension liability in Sweden carries interest that is charged to net financial items at a rate of 5.8 per cent (4.1).

Tax for the period amounted to SEK -22 M (-19). The tax corresponds to a tax rate of 21 per cent (29) if the tax-free portion of the earnings of the associated companies and the gain from property sales are excluded.

Net profit for the period was SEK 105 M (54) and earnings per share SEK 4.15 (2.15). Exchange rate changes affected the profit marginally.

Total assets increased by SEK 185 M during the quarter, amounting to SEK 6,459 M. The increase was attributable to cash and cash equivalents, which increased by SEK 522 M. Stocks of cars were at a very low level at the end of the quarter and are expected to increase during the fourth quarter of 2014.

Equity increased by SEK 65 M, amounting to SEK 1,805 M. Equity has been charged with a revaluation of defined-benefit pension plans by SEK 48 M. The revaluation of the pension liability is recognised under "Other comprehensive income/loss". The equity/assets ratio amounted to 28 per cent (28).

Acquisition of non-current assets amounted to SEK 28 M (15). Replacement investments represented SEK 6 M (2), expansion investments SEK 11 M (8), environmental investments SEK 1 M (1) and investments in new construction and additions to properties SEK 8 M (2), while finance leases amounted to SEK 2 M (2).

Operating cash flow amounted to SEK 597 M (29). After acquisitions and disposals of operations and change in interest-bearing receivables, cash flow amounted to SEK 605 M (54). Property sales increased cash flow by SEK 72 M. Net debt decreased by SEK 562 M during the quarter, amounting to SEK 9 M.

Liquidity remains good, and at the end of September a positive bank balance of SEK 590 M was reported. The combined credit limit with Nordea and DNB amounts to SEK 900 M.

The number of employees declined by 27 during the quarter to 3,505 persons.

Items affecting comparability

Group, SEK M	Third quarter 2014	2013	Nine months 2014	2013	Oct. 13 - Sept. 14	Full year 2013
Operating profit excl. items affecting comparability	**119**	96	**334**	236	493	395
Items affecting comparability						
- Gain from sale of operation, other	**13**	0	**13**	2	13	2
- Structural costs etc.	**0**	-20	**-6**	-27	-4	-25
- Impairment of land	**0**	0	**0**	0	-4	-4
Operating profit	**132**	76	**341**	211	498	368
Profit before tax excl. items affecting comparability	**114**	93	**318**	237	475	394
Items affecting comparability						
- Gain from sale of operation, other	**13**	0	**13**	2	13	2
- Structural costs etc.	**0**	-20	**-6**	-27	-4	-25
- Impairment of land	**0**	0	**0**	0	-4	-4
Profit before tax	**127**	73	**325**	212	480	367

The quarter's gain from sale of operation pertains to the sale of the property company included in the acquisition of the Toyota operation in Malmö, Trelleborg and Lund, which took place in early 2014.

Structural costs during the **first nine months of the year** pertain to measures to reduce future costs in Denmark by about SEK 13 M per year.

Group

No. of new cars	Deliveries Third quarter 2014	2013	Nine months 2014	2013	Oct. 13 - Sept. 14	Full year 2013	Order backlog 30 Sept. 2014	2013
Sweden [1]	6,392	5,864	21,221	17,255	28,239	24,273	5,856	4,913
Norway	1,701	1,756	5,669	5,259	8,206	7,796	1,346	1,373
Denmark	861	862	2,622	2,591	3,589	3,558	442	657
Total	8,954	8,482	29,512	25,105	40,034	35,627	7,644	6,943

[1] Toyota is included in deliveries during the quarter with 220 (-) and during the first nine months with 539 (-), and in order backlog with 143 (-).

SEK M	Net turnover Third quarter 2014	2013	Nine months 2014	2013	Oct. 13 - Sept. 14	Full year 2013
Sweden	3,044	2,725	9,582	8,416	12,733	11,567
Norway	1,255	1,192	3,828	3,644	5,271	5,087
Denmark	232	237	746	716	1,027	997
Total Cars	4,531	4,154	14,156	12,776	19,031	17,651
Parent Company, other	0	1	-1	2	2	5
Total	4,531	4,155	14,155	12,778	19,033	17,656

SEK M	Operating profit/loss excl. items affecting comparability , operating margin Third quarter 2014	%	2013	%	Nine months 2014	%	2013	%	Oct. 13 - Sept. 14	Full year 2013	%
Sweden	108	3.5	86	3.1	296	3.1	217	2.6	421	342	3.0
Norway	21	1.7	21	1.8	85	2.2	64	1.8	137	116	2.3
Denmark	-4	-1.9	-5	-1.7	-17	-2.3	-15	-2.0	-22	-20	-2.0
Total Cars	125	2.7	102	2.5	364	2.6	266	2.1	536	438	2.5
Parent Company, other	-6	-	-6	-	-30	-	-30	-	-43	-43	-
Total	119	2.6	96	2.3	334	2.4	236	1.9	493	395	2.2

- **Strong earnings in Sweden**
- **Higher order backlog**

During the quarter, the market for new cars increased by 10 per cent in Sweden, decreased by 1 per cent in Norway and was unchanged in Denmark.

The Group reported an operating profit, excluding items affecting comparability, of SEK 119 M (96) and an operating margin of 2.6 per cent (2.3) during the third quarter. The Service Business reported a profit that was SEK 10 M better, while the Car Business reported a profit that was SEK 12 M better, compared with last year. The order backlog increased by 748 cars during the quarter to 7,644 cars.

The operation in Sweden reported an operating profit of SEK 108 M (86), with an operating margin of 3.5 per cent (3.1). The Car Business reported a profit that was SEK 14 M better than last year. The improvement is mainly attributable to higher sales of both new and used cars and to a slightly higher gross profit margin. The Service Business reported a profit that was SEK 7 M better than last year. The improvement is mainly attributable to higher turnover.

Operating profit in Bilia's Norwegian operation amounted to SEK 21 M (21) and the operating margin to 1.7 per cent (1.8). The Service Business reported a profit that was SEK 1 M higher than last year, while the Car Business reported a profit that was SEK 1 M lower. Earnings from sales of new cars declined by SEK 2 M, while earnings from sales of used cars increased by SEK 1 M. The stock of used cars was on a good level.

The Danish operation reported an operating loss of SEK 4 M (loss: 5). The improvement compared with last year is attributable to the Service Business. Lower turnover in the Service Business was offset by lower costs. Competition from other dealers in the Copenhagen area who represent the same brands as Bilia continues to increase, squeezing gross profit margins and earnings in both the Car and Service Businesses.

Operations – divided into Service, Car and Fuel Businesses

- Improved earnings in both Car and Service Businesses
- Increased deliveries of new and used cars

	Net turnover [1]						Operating profit/loss, operating margin					
	Third quarter		Nine months		Oct. 13 -	Full year	Third quarter		Nine months		Oct. 13 -	Full year
SEK M	**2014**	2013	**2014**	2013	Sept. 14	2013	**2014**	2013	**2014**	2013	Sept. 14	2013
Service Business	**942**	898	**3,058**	2,919	4,189	4,050	**83**	73	**254**	212	393	351
- margin, %							***8.8***	*8.1*	***8.3***	*7.3*	*9.4*	*8.7*
Car Business	**3,470**	3,135	**10,848**	9,563	14,539	13,254	**37**	25	**97**	41	123	67
- margin, %							***1.1***	*0.8*	***0.9***	*0.4*	*0.8*	*0.5*
Fuel Business	**274**	272	**801**	811	1,057	1,067	**5**	4	**13**	13	20	20
- margin, %							***1.6***	*1.8*	***1.6***	*1.7*	*1.9*	*1.9*

Service includes workshop services, spare parts and accessories.
The Car Business includes sales of new and used cars and customer financing.
[1] Net turnover does not include eliminations for internal sales.

Growth in the Service Business

	Third quarter				Nine months			
Per cent	Sweden	Norway	Denmark	Total	Sweden	Norway	Denmark	Total
Change from last year								
Underlying turnover	3.0	0.4	-13.3	1.2	4.0	3.9	-10.8	3.1
Calendar effect	0.0	0.0	0.0	0.0	0.5	-0.5	-0.5	0.2
Adjusted turnover	3.0	0.4	-13.3	1.2	4.5	3.4	-11.3	3.3

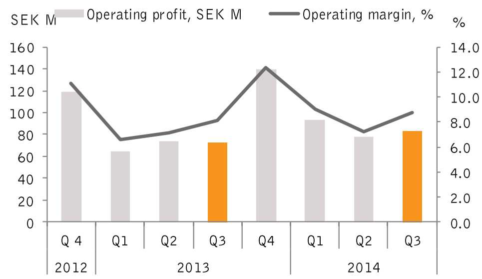
The Service Business reported a profit that was SEK 10 M better than last year. The improvement was mainly attributable to higher turnover and a slightly higher gross profit margin. The Swedish operation developed in a positive direction during the quarter, reporting an adjusted turnover increase of 3 per cent, while Norway reported unchanged turnover. The decline in turnover in Denmark is mainly attributable to increased competition in the Copenhagen area. The number of working days was unchanged during the quarter compared with the same quarter last year.

The Car Business's deliveries of new cars increased during the quarter for comparable operations by 3 per cent and deliveries of used cars by 6 per cent. Orders received for new cars increased by 5 per cent compared with last year. Earnings from sales of new cars improved by SEK 4 M, due mainly to higher turnover. Earnings from sales of used cars improved by SEK 8 M and amounted to SEK 30 M. The improvement is mainly attributable to higher turnover and a slightly higher gross profit margin.

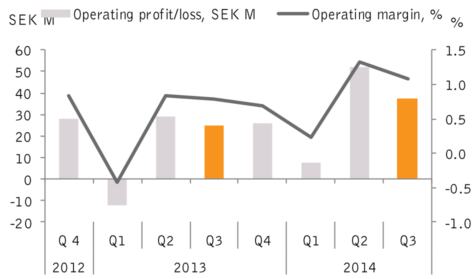
Stocks of used cars declined during the quarter and are at historically very low levels. The turnover rate for used cars increased, amounting to 9.8 times per year.

The Fuel Business is concentrated to Sweden, and earnings amounted to SEK 5 M (4).

Service Business: Operating profit, margin



Car Business: Operating profit/loss, margin



All values in the above graphs pertain to isolated quarters.

Acquisition of operation 2014

Toyota's dealership operation in Malmö, Trelleborg and Lund

On 1 March 2014, Bilia acquired Toyota's dealership operation in Malmö, Trelleborg and Lund. The business generates an annual turnover of about SEK 350 M a year, with an average operating margin of 1.1 per cent. The purchase consideration amounted to SEK 43 M. The entire purchase consideration was paid in cash. There is no contingent purchase consideration.

Through the acquisition Bilia can enlarge its offer with the Toyota brand, belonging to one of the world's most successful automakers. It is further hoped that the acquisition will create opportunities for Bilia to grow with Toyota in the countries where Bilia does business.

The acquisition is expected to give rise to synergies valued at about SEK 3 M per year, with full effect from 2015. The business has 77 employees and will continue to be operated from the present-day facilities.

There are no external transaction costs or acquisition-related expenses attributable to the acquisition.

Effects of the acquisitions

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

The acquired operation's net assets at the acquisition date:

SEK M	Carrying amounts in Toyota's dealer-ship operation	Fair value adjustment	Fair value recognised in Group
Intangible assets	13	-	13
Property, plant and equipment	11	27	38
Long-term investments	0	-	0
Deferred tax asset	-	0	0
Inventories	39	0	39
Trade receivables and other receivables	11	-	11
Cash and cash equivalents	1	-	1
Trade payables and other liabilities	32	27	59
Net identifiable assets and liabilities	43	0	43
Consolidated goodwill			0
Purchase consideration paid, cash			43
Less: Cash and cash equivalents in aquired operation			1
Net effect on cash and cash equivalents			42

Acquired customer relations totalling SEK 13 M are recognized as intangible assets. These customer relations will be amortized over 10 years.

Parent Company

Bilia AB is responsible for the Group's management, strategic planning, purchasing, public relations, business development, accounting and financing. Furthermore, Bilia AB conducts real estate and IT activities, mainly for companies in the Group.

The Parent Company's operating loss for the third quarter amounted to SEK -6 M (loss: 6).

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.
- 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.
- Automotive suppliers become insolvent or terminate retailer 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 2013 Annual Report.

Accounting principles

This interim report in summary for the Group has been prepared in accordance with IAS 34 "Interim Financial Reporting" 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 IFRS's that became effective during the year have not had any significant effect on the Group's or the Parent Company's financial reports.

Annual General Meeting 2015

The Annual General Meeting will be held on 14 April 2015 at Bilia's facility at Haga Norra, Frösundaleden 4, in Stockholm. Shareholders who wish to have a matter on the agenda at the AGM should contact Bilia no later than 24 February 2015 in order for the matter to be included in the notice of the meeting.

The annual report for 2014 will be published on Bilia's website on 18 March 2015.

Events after the end of the report period

No significant events have occurred after the end of the report period.

Next report

The year-end report for 2014 will be published on 6 February 2015.

Gothenburg, 24 October 2014
Bilia AB (publ)
Board of Directors

For further information, please contact Per Avander, Managing Director and CEO, or Gunnar Blomkvist, CFO, telephone +46 31 709 55 00.

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Corporate ID No.: 556112-5690

Review report

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

Introduction

We have reviewed the interim financial information in summary (the interim report) for Bilia AB (publ) as per 30 September 2014 and the nine-month period that ended on this date. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion regarding this interim financial information based on our review.

Aim and scope of review

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

Conclusion

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

Gothenburg, 24 October 2014

KPMG AB

Jan Malm

Authorised Public Accountant

This report is being published by Bilia AB in compliance with the Securities Market Act. The information was submitted for publication on 24 October 2014 at 08:30 a.m..

Group's operating segments

Nine months

SEK M	Service		Car		Fuel		Total Cars		Segment reconciliation		Group	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Net turnover												
External sales	2,507	2,402	10,848	9,563	801	811	14,156	12,776	-1	2	14,155	12,778
Internal sales	551	517					551	517	-551	-517	-	-
Total net turnover	3,058	2,919	10,848	9,563	801	811	14,707	13,293	-552	-515	14,155	12,778
Depreciation/amortisation	39	50	192	185	4	3	235	238	16	12	251	250
Operating profit/loss	254	212	97	41	13	13	364	266	-23	-55	341	211
Interest income											5	8
Interest expenses											-39	-36
Shares in profits of associated companies			18	29			18	29			18	29
Profit before tax											325	212
Tax expense for the period											-59	-50
Net profit for the period											266	162
Material items of income and expense of a non-recurring nature recognised in the Statement of Income and Other Comprehensive Income:												
Items affecting comparability												
- Profit from sale of operation, other	7	2	6	0			13	2			13	2
- Structural costs etc.	-5	-18	-1	-9			-6	-27			-6	-27
Items of non-recurring nature	2	-16	5	-9	-	-	7	-25	-	-	7	-25
Material items not affecting cash besides depreciation/amortisation:												
- Other	-42	-39	-25	-48	-3	-1	-70	-88	-3	-1	-73	-89
Total	-42	-39	-25	-48	-3	-1	-70	-88	-3	-1	-73	-89
Assets												
Interests in associated companies			362	342			362	342			362	342
Deferred tax assets											102	85
Other assets											5,995	5,357
Total assets			362	342			362	342			6,459	5,784
Investments in non-current assets	88	35	799	536	3	1	890	572	19	23	909	595
Liabilities												
Equity											1,805	1,597
Liabilities											4,654	4,187
Total liabilities and equity											6,459	5,784

SEK M	Revenue from external customers		Non-current assets	
	2014	2013	2014	2013
Geographical segments				
Sweden	9,586	8,420	2,974	2,638
Norway	3,828	3,644	477	579
Denmark	746	716	113	79
Segment reconciliation	-5	-2	-716	-724
Total	14,155	12,778	2,848	2,572

Group's operating segments con'd.

Nine months

SEK M	Service						Car					
	Sweden		Norway		Denmark		Sweden		Norway		Denmark	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Net turnover												
External sales	1,739	1,657	611	581	157	164	7,042	5,959	3,217	3,052	589	552
Internal sales	337	302	171	166	43	49						
Total net turnover	2,076	1,959	782	747	200	213	7,042	5,959	3,217	3,052	589	552
Depreciation/amortisation	29	41	7	6	3	3	170	164	18	18	4	3
Operating profit/loss	198	167	49	40	7	5	85	36	36	25	-24	-20
Shares in profits of associated companies							18	29				
Material items of income and expense of a non-recurring nature recognised in the Statement of Income and Other Comprehensive Income:												
Items affecting comparability												
- Profit from sale of operation, other	7			2			6			0		
- Structural costs etc.		-7		-3	-5	-8		-2		-3	-1	-4
Items of non-recurring nature	7	-7	-	-1	-5	-8	6	-2	-	-3	-1	-4
Material items not affecting cash besides depreciation/amortisation:												
- Other	-35	-35	-1	-2	-6	-2	-18	-34	0	0	-7	-14
Total	-35	-35	-1	-2	-6	-2	-18	-34	0	0	-7	-14
Assets												
Interests in associated companies							362	342				
Investments in non-current assets	75	22	12	10	1	3	688	459	17	7	94	70

Consolidated Statement of Income and Other Comprehensive Income

SEK M	Third quarter 2014	Third quarter 2013	Nine months 2014	Nine months 2013	Oct. 13 - Sept. 14	Full year 2013
Net turnover	**4,531**	4,155	**14,155**	12,778	19,033	17,656
Costs of goods sold	**-3,832**	-3,511	**-11,979**	-10,792	-16,070	-14,883
Gross profit	**699**	644	**2,176**	1,986	2,963	2,773
Other operating income	**15**	2	**19**	9	21	11
Selling expenses	**-478**	-448	**-1,512**	-1,435	-2,035	-1,958
Administrative expenses	**-104**	-101	**-335**	-320	-443	-428
Other operating expenses	**0**	-21	**-7**	-29	-8	-30
Operating profit [1]	**132**	76	**341**	211	498	368
Financial income	**1**	3	**5**	8	31	34
Financial expenses	**-13**	-12	**-39**	-36	-73	-70
Shares in profits of associated companies	**7**	6	**18**	29	24	35
Net financial items	**-5**	-3	**-16**	1	-18	-1
Profit before tax	**127**	73	**325**	212	480	367
Tax	**-22**	-19	**-59**	-50	-86	-77
Net profit for the period	**105**	54	**266**	162	394	290
Other comprehensive income/loss						
Items that cannot be reclassified to profit or loss						
Revaluation of defined-benefit pension plans	**-61**	0	**-105**	0	-30	75
Tax attributable to items that cannot be reclassified to profit or loss	**13**	0	**23**	0	6	-17
	-48	0	**-82**	0	-24	58
Items that can be reclassified to profit or loss						
Translation differences attributable to foreign operations	**8**	-12	**24**	-26	19	-31
Tax attributable to items that have been or may be reclassified to profit or loss	**0**	0	**0**	0	0	0
	8	-12	**24**	-26	19	-31
Other comprehensive income/loss after tax	**-40**	-12	**-58**	-26	-5	27
Comprehensive income for the period	**65**	42	**208**	136	389	317
Net profit for the period attributable to:						
Parent Company's shareholders	**105**	54	**266**	162	394	290
Comprehensive income for the period attributable to:						
Parent Company's shareholders	**65**	42	**208**	136	389	317
Weighted average number of shares, '000:						
- before dilution	**25,159**	24,685	**25,151**	24,673	25,122	24,765
- after dilution	**25,459**	25,015	**25,459**	25,007	25,434	25,096
Basic earnings/loss per share, SEK	**4.15**	2.15	**10.55**	6.55	15.70	11.70
Diluted earnings/loss per share, SEK	**4.10**	2.10	**10.45**	6.45	15.55	11.55
Weighted average number of own shares, '000	**-**	456	**-**	452	25	363

[1] Straight-line amortisation/depreciation by asset class:						
- Intellectual property	-10	-9	-30	-29	-39	-38
- Land and buildings	-4	-3	-11	-8	-20	-17
- Equipment, tools, fixtures and fittings	-17	-16	-51	-50	-62	-61
- Leased vehicles	-55	-49	-159	-163	-206	-210
Total	-86	-77	-251	-250	-327	-326

Consolidated Statement of Financial Position, Summary

SEK M	30/9 2014	31/12 2013	30/9 2013
Assets			
Non-current assets			
Intangible assets			
Intellectual property	186	190	198
Goodwill	267	259	260
	453	449	458
Property, plant and equipment			
Land and buildings	96	94	95
Construction in progress	3	8	8
Equipment, tools, fixtures and fittings	321	297	290
Leased vehicles [1]	1,574	1,389	1,325
	1,994	1,788	1,718
Long-term investments			
Financial investments	377	362	356
Long-term receivables [2]	24	27	40
	401	389	396
Deferred tax assets	102	66	85
Total non-current assets	2,950	2,692	2,657
Current assets			
Inventories, merchandise	1,939	2,268	1,993
Current receivables			
Other receivables [1]	933	980	865
Cash and cash equivalents [2]	637	155	269
Total current assets	3,509	3,403	3,127
Total assets	6,459	6,095	5,784
Equity and liabilities			
Equity			
Share capital	251	251	251
Other contributed capital	47	47	47
Reserves	-29	-53	-48
Retained earnings including net profit for the year	1,536	1,578	1,347
Total equity	1,805	1,823	1,597
Non-current liabilities			
Debenture loan [3]	28	28	28
Interest-bearing liabilities [3]	59	122	133
Other liabilities and provisions [4]	1,603	1,261	1,422
	1,690	1,411	1,583
Current liabilities			
Interest-bearing liabilities [3]	195	162	154
Other liabilities and provisions	2,769	2,699	2,450
	2,964	2,861	2,604
Total equity and liabilities	6,459	6,095	5,784
Assets			
[1] Of which interest-bearing	224	228	211
[2] Interest-bearing	661	182	309
Liabilities			
[3] Interest-bearing	282	312	315
[4] Of which interest-bearing	612	507	566

Statement of Changes in Group Equity, Summary

SEK M	30/9 2014	31/12 2013	30/9 2013
Opening balance	1,823	1,586	1,586
Cash dividend to shareholders	-226	-148	-148
Exercised warrants	0	0	0
Disposal of own shares	-	68	23
Comprehensive income for the year	208	317	136
Closing balance	1,805	1,823	1,597

Consolidated Statement of Cash Flows

	Third quarter		Nine months		Oct. 13 -	Full year
SEK M	2014	2013	2014	2013	Sept. 14	2013
Operating activities						
Profit before tax	127	73	325	212	480	367
Depreciation/amortisation and impairment losses	86	77	251	250	331	330
Other items not affecting cash	-22	44	-18	-4	-44	-30
Tax paid	-22	-20	-113	-34	-144	-65
Change in inventories	195	-111	408	5	117	-286
Change in operating receivables	156	-16	88	71	-41	-58
Change in operating liabilities	126	-15	176	-93	384	115
Cash flow from operating activities	646	32	1,117	407	1,083	373
Investing activities						
Acquisition of non-current assets (intangible and tangible)	-28	-15	-153	-70	-188	-105
Disposal of non-current assets (intangible and tangible)	72	1	76	1	79	4
Acquisition of leased vehicles	-221	-175	-756	-525	-931	-700
Disposal of leased vehicles	128	186	455	444	522	511
Operating cash flow	597	29	739	257	565	83
Investment in financial assets	0	0	-5	0	-5	0
Disposal of financial assets	8	-2	8	11	24	27
Acquisition of subsidiary/operation, net	0	0	-42	-25	-44	-27
Disposal of subsidiary/operation, net	0	27	8	37	6	35
Cash flow after net investments	605	54	708	280	546	118
Financing activities						
Borrowings	0	0	400	0	400	0
Repayment of loans	-100	0	-400	0	-400	0
Change in overdraft facility	14	55	-3	52	0	55
Exercised warrants	0	0	0	0	0	0
Disposal of own shares	0	23	0	23	45	68
Dividend paid to Parent Company's shareholders	0	0	-226	-148	-226	-148
Cash flow from financing activities	-86	78	-229	-73	-181	-25
Change in cash and cash equivalents, excl. translation differences	519	132	479	207	365	93
Exchange difference in cash and cash equivalents	3	2	3	0	3	0
Change in cash and cash equivalents	522	134	482	207	368	93
Cash and cash equivalents at start of period	115	135	155	62	269	62
Cash and cash equivalents at end of period	637	269	637	269	637	155

Fair value of financial instruments

The carrying amount of financial instruments corresponds to the fair value, with the exception of debenture loans. The fair value of debenture loans amounts to SEK 28 M.

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 that belong to financial assets and liabilities, valuation level 2, have per year-end been valuated to fair value. The value of the currency derivatives is not material and does not constitute an significant item. Fair value measurement has reduced earnings by 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.

Quarterly review

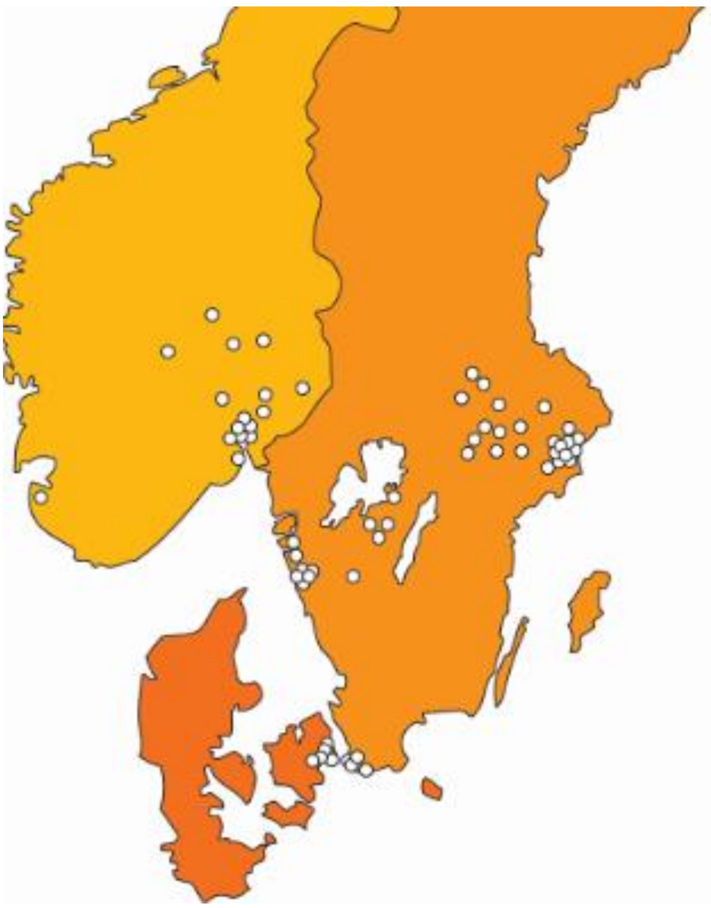
Group	4/12	1/13	2/13	3/13	4/13	1/14	2/14	3/14
Net turnover, SEK M	4,534	4,048	4,575	4,155	4,878	4,547	5,077	4,531
Operating profit excl. items affecting comparability, SEK M	139	45	95	96	159	94	121	119
Operating margin excl. items affecting comparability, %	3.0	1.1	2.1	2.3	3.2	2.1	2.4	2.6
Operating profit, SEK M	112	45	90	76	157	94	115	132
Operating margin, %	2.5	1.1	2.0	1.8	3.2	2.1	2.3	2.9
Profit before tax, SEK M	108	54	85	73	155	88	110	127
Profit/loss for the period, SEK M	76	44	64	54	128	74	87	105
Rate of capital turnover, times [1]	3.12	3.04	3.03	3.07	3.06	3.12	3.12	3.10
Return on capital employed, % [1]	12.3	11.6	13.0	15.3	17.7	18.7	19.4	21.0
Return on equity, % [1]	9.1	9.4	11.4	15.2	17.0	18.9	20.0	22.2
Net debt/equity, times	0.36	0.30	0.31	0.23	0.22	0.21	0.32	0.01
Equity/assets ratio, %	27	30	27	28	30	31	28	28
Interest coverage ratio, times [1]	6.4	5.9	6.6	7.5	6.3	6.7	6.9	7.6
Data per share (SEK)								
Earnings/loss for the period	3.10 [2]	1.80 [4]	2.60 [6]	2.15 [8]	5.15 [10]	2.95 [12]	3.45 [14]	4.15 [16]
Equity	64 [3]	65 [5]	62 [7]	64 [9]	72 [11]	76 [13]	69 [15]	72 [17]
Operating cash flow	-0.75 [2]	3.65 [4]	5.55 [6]	1.20 [8]	-7.05 [10]	0.95 [12]	4.70 [14]	23.75 [16]

1) Rolling 12 months.
2) Based on weighted average number of shares outstanding during fourth quarter, 24,566,868.
3) Based on number of shares outstanding at 31 December 2012, 24,657,606.
4) Based on weighted average number of shares outstanding during first quarter, 24,662,698.
5) Based on number of shares outstanding at 31 March 2013, 24,667,096.
6) Based on weighted average number of shares outstanding during second quarter, 24,670,763.
7) Based on number of shares outstanding at 30 June 2013, 24,671,552.
8) Based on weighted average number of shares outstanding during third quarter, 24,684,972.
9) Based on number of shares outstanding at 30 September 2013, 24,841,194.
10) Based on weighted average number of shares outstanding during fourth quarter, 25,036,534.
11) Based on number of shares outstanding at 31 December 2013, 25,139,592.
12) Based on weighted average number of shares outstanding during first quarter, 25,141,384.
13) Based on number of shares outstanding at 31 March 2014, 25,145,051.
14) Based on weighted average number of shares outstanding during second quarter, 25,150,843.
15) Based on number of shares outstanding at 30 June 2014, 25,156,163.
16) Based on weighted average number of shares outstanding during third quarter, 25,159,462.
17) Based on number of shares outstanding at 30 September 2014, 25,165,361.

Income Statement for Parent Company

SEK M	Third quarter 2014	2013	Nine months 2014	2013	Oct. 13 - Sept. 14	Full year 2013
Net turnover	111	101	328	298	431	401
Administrative expenses	-117	-107	-358	-330	-474	-446
Operating loss [1]	-6	-6	-30	-32	-43	-45
Result from financial items						
Income from interests in Group companies	15	0	70	0	29	-41
Interest income from Group companies	4	5	19	18	25	24
Other interest income and similar line items	1	2	3	5	27	29
Interest expenses to Group companies	0	0	0	0	0	0
Interest expenses and similar line items	-3	-4	-9	-13	-36	-40
Loss after financial items	11	-3	53	-22	2	-73
Appropriations	0	0	0	0	272	272
Profit/loss before tax	11	-3	53	-22	274	199
Tax	0	-1	6	1	-50	-55
Net profit/loss for the period	11	-4	59	-21	224	144

[1] Straight-line amortisation/depreciation by asset class:						
- Intellectual property	-4	-2	-11	-9	-14	-12
- Buildings	0	0	-1	0	-1	0
- Equipment, tools, fixtures and fittings	-1	-1	-2	-2	-2	-2
Total	-5	-3	-14	-11	-17	-14



Balance Sheet for Parent Company, Summary

SEK M	30/9 2014	31/12 2013	30/9 2013
Assets			
Non-current assets			
Intangible assets			
Intellectual property	44	46	47
	44	46	47
Property, plant and equipment			
Buildings	20	11	8
Construction in progress	3	8	4
Equipment, tools, fixtures and fittings	9	9	8
	32	28	20
Long-term investments			
Interests in Group companies	716	716	724
Other securities held as non-current assets	0	0	0
Other non-current receivables	20	20	25
Deferred tax asset	30	24	24
	766	760	773
Total non-current assets	842	834	840
Current assets			
Current receivables			
Receivables from Group companies	36	715	17
Other receivables	381	94	106
Cash on hand and accrued deposits	221	83	416
Total current assets	638	892	539
Total assets	1,480	1,726	1,379
Equity and liabilities			
Equity			
Restricted equity			
Share capital	251	251	251
Statutory reserve	47	47	47
	298	298	298
Non-restricted equity			
Share premium reserve	47	47	47
Retained earnings including net profit for the year	662	829	620
	709	876	667
Total equity	1,007	1,174	965
Untaxed reserves	277	277	227
Provisions			
Provisions for pensions and similar obligations	22	19	19
Deferred tax liability	1	1	0
	23	20	19
Non-current liabilities			
Debenture loan	28	28	28
Other liabilities	5	5	5
	33	33	33
Current liabilities			
Liabilities to credit institutes	-	32	-
Liabilities to Group companies	0	24	-
Other liabilities	140	166	135
	140	222	135
Total equity and liabilities	1,480	1,726	1,379
Pledged assets and contingent liabilities for Parent Company			
Pledged assets	552	534	447
Contingent liabilities	1,197	1,356	1,191