Everything to do with our finances. And then some.

Report for the third quarter of 2015

Report for the third quarter of 2015

Nine months

- Net turnover amounted to SEK 14,693 M (13,409).
- The Group's net profit for the period amounted to SEK 451 M (266) and earnings per share to SEK 8.95 (5.30).

Third quarter

- Net turnover amounted to SEK 4,597 M (4,299).
- Operating profit excluding items affecting comparability amounted to SEK 154 M (124).
- The Group's net profit for the period amounted to SEK 131 M (105) and earnings per share to SEK 2.60 (2.10).
- Operating cash flow amounted to SEK 123 M (597).

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

"Demand for both cars and service was, as expected, slightly better compared with last year and operating profit, excluding items affecting comparability, was considerably better. The improvement is mainly attributable to the Car Business, where above all used car sales continue to deliver strong earnings. The order backlog of new cars increased during the quarter and was nearly 2,000 cars higher compared with last year. The financial position of the Group remains strong. We believe that demand for cars and service during the fourth quarter of 2015 will be on a par with the same quarter last year."

	Third quarter 2015	2014	Nine months 2015	2014	Oct. 14 - Sept. 15	Full year 2014
Continuing operations						
Net turnover, SEK M	**4,597**	4,299	**14,693**	13,409	19,730	18,446
Operating profit excl. items affecting comparability, SEK M [1]	**154**	124	**494**	351	696	553
Operating margin excl. items affecting comparability, %	**3.4**	2.9	**3.4**	2.6	3.5	3.0
Operating profit, SEK M	**154**	137	**695**	364	893	562
Operating margin, %	**3.4**	3.2	**4.7**	2.7	4.5	3.0
Profit before tax excl. items affecting comparability, SEK M [1]	**162**	120	**498**	338	706	546
Profit before tax, SEK M	**162**	133	**699**	351	903	555
Net profit for the period / year, SEK M	**131**	111	**552**	292	712	452
Earnings per share, SEK [2]	**2.60**	2.20	**10.95**	5.80	14.15	9.00
The Bilia Group						
Net profit for the period / year, SEK M	**131**	105	**451**	266	570	385
Earnings per share, SEK [2]	**2.60**	2.10	**8.95**	5.30	11.30	7.65

[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 14.

Continuing operations comprise the Bilia Group, not including the Danish operation, see page 2.

Notable events during 2015

Third quarter

- Bilia concluded an agreement to acquire Dörr & Hess, a dealer for BMW and Mini in Germany. The business is run from four facilities, which are concentrated in an area north of Frankfurt. The planned date of possession is 30 October 2015, with financial effect from 1 October 2015. Dörr & Hess's turnover in 2014 amounted to SEK 540 M and operating profit was SEK 10 M. The number of employees amounts to about 120. Dörr & Hess's capital employed, plus agreed-on surplus values, amounts to about SEK 110 M.

First six months

- During the month of June 2015, Bilia reached an agreement to acquire Kaiser Bil AB, a Lexus dealer. The business is run from four facilities in Stockholm and Malmö and accounts for about 45 per cent of Lexus's total sales in Sweden. The date of possession was 1 October 2015.
- On 29 May 2015, Bilia concluded agreements with several different buyers on the sale of most of the operation in Denmark.
- Bilia accepted an offer from Alecta to redeem the Swedish pension liability for ITP 2 as per 1 May 2015. As a result of the deal, the profit for the period was improved during the second quarter by SEK 154 M (operating profit SEK +197 M and tax SEK -43 M). The deal also had a net effect on other comprehensive income of SEK +21 M.
- The 2015 Annual General Meeting passed a resolution to divide the company's outstanding shares so that each existing share was split into 2 new shares. The calculation of basic and diluted earnings per share has been adjusted retroactively for the reported periods.
- In January, Bilia concluded an agreement to acquire all the shares in Toyota Hell Bil AS and Toyota Horten Tønsberg AS. The official date of possession was 2 March 2015.

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

The decision to sell or shut down Bilia's Danish operation is being handled in the accounts as from 2015 as a discontinued operation. The operation's operating profit and an estimated loss on disposal are recognised as an item in the Income Statement under "Discontinued operation". The Group's comparison figures have been adjusted, whereby Bilia's Danish operation has been adjusted from all line items and only net profit/loss from the operation has been recognised on the line "Profit/loss from discontinued operation, net after tax".

Third quarter 2015

Demand for cars and service was slightly better compared with the same quarter last year.

Net turnover amounted to SEK 4,597 M (4,299). For comparable operations and adjusted for exchange rate changes, net turnover increased by about SEK 205 M or 5 per cent. The increase is attributable to sales of both cars and service.

Operating profit amounted to SEK 154 M (137). If items affecting comparability are excluded, the profit was SEK 154 M (124). The improvement is mainly attributable to the Car Business, where sales of both new and used cars reported considerably better earnings compared with last year. The Service Business also developed positively and reported improved earnings. Underlying Group overheads increased by about 5 per cent compared with last year. Overheads amounted to 12.9 per cent in relation to net turnover, which was 0.2 percentage point higher compared with last year. In view of the earnings level during the quarter, provision was made for employee bonuses of SEK 5 M (5).

Net financial items amounted to SEK 8 M (-4). The improvement compared with last year is partially attributable to the redemption of the Swedish pension liability that took place in May 2015. The redemption of the pension liability had a positive effect of SEK 5 M on net financial items. A corresponding amount affected operating profit negatively in the form of higher pension costs. Higher income from interests in associated companies also had a positive effect on net financial items during the third quarter.

Tax for the period amounted to SEK -31 M (-22). The tax expense for the quarter was reduced by SEK 3 M due to a booked tax asset attributable to value increases on endowment policies.
At the same time, operating profit has been charged with SEK 3 M in special payroll tax. The tax rate amounts to 21 per cent (17) if the tax is adjusted by the above amount.

Net profit for the period for continuing operations amounted to SEK 131 M (111) and earnings per share to SEK 2.60 (2.20). Exchange rate changes reduced the profit by SEK 2 M.

Result from discontinued operation, net after tax, amounted to SEK 0 M (loss: 6). The result stems partly from the Danish operation's result during the quarter and partly from adjustment of the provision calculated in the half-year accounts. Most of the operation was disposed of at the end of the second quarter, while the rest was disposed of during the month of August 2015.
The calculated loss from the start of the year amounted to SEK 101 M. The calculation includes certain estimates, and the loss may be adjusted during the fourth quarter of 2015.

Profit for the period was SEK 131 M (105) and earnings per share SEK 2.60 (2.10). Exchange rate changes reduced the profit by SEK 1 M.

Total assets decreased by SEK 481 M during the quarter, amounting to SEK 6,489 M. The decrease is mainly attributable to other current receivables, cash and cash equivalents and assets attributable to the discontinued operation in Denmark.

Equity increased by SEK 107 M during the quarter, amounting to SEK 1,872 M. The equity/assets ratio amounted to 29 per cent (28).

Acquisition of non-current assets amounted to SEK 61 M (28). Replacement investments represented SEK 32 M (6), expansion investments SEK 12 M (11), environmental investments SEK 0 M (1) and investments in new construction and additions to properties SEK 15 M (8), while finance leases amounted to SEK 2 M (2).

Operating cash flow amounted to SEK 123 M (597). After acquisitions and disposals of operations and change in interest-bearing receivables, cash flow amounted to SEK 127 M (605). Net debt decreased by SEK 173 M during the quarter, and a net claim of SEK 98 M was reported at the end of the quarter.

Liquidity remains good, and at the end of September a debt to the banks of SEK 102 M was reported. The combined credit limit with Nordea and DNB was raised by SEK 600 M during the quarter and amounts to SEK 1,500 M. SEK 1,000 M of this limit has a term of 5 years, which expires in July 2020, while the remaining SEK 500 M is an overdraft facility with a term of one calendar year.

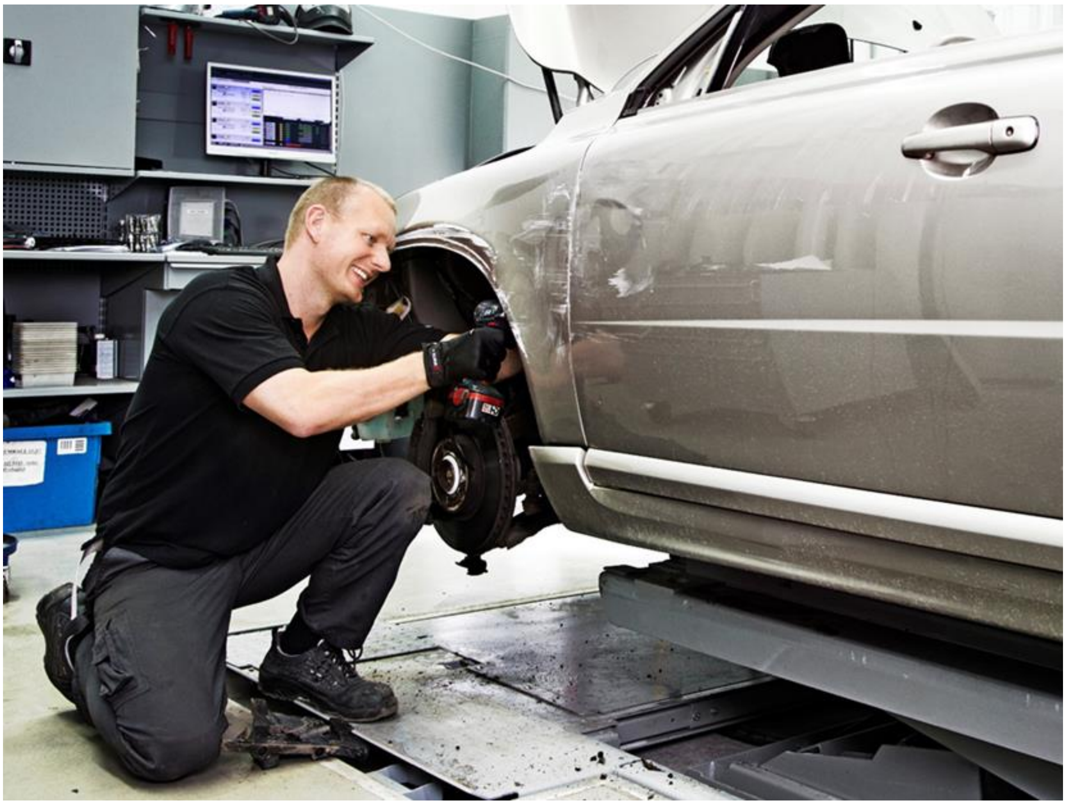
The number of employees decreased by 114 during the quarter to 3,477 persons. Of these 114 employees, 61 are attributable to the sale of the operation in Denmark.

Items affecting comparability

Continuing operations, SEK M	Third quarter 2015	2014	Nine months 2015	2014	Oct. 14 - Sept. 15	Full year 2014
Operating profit excl. items affecting comparability	**154**	124	**494**	351	696	553
Items affecting comparability						
- Gain from sale of operation, other	**0**	13	**4**	13	4	13
- Redemption of PRI liability	**0**	0	**197**	0	197	0
- Impairment	**0**	0	**0**	0	-4	-4
Operating profit	**154**	137	**695**	364	893	562
Profit before tax excl. items affecting comparability	**162**	120	**498**	338	706	546
Items affecting comparability						
- Gain from sale of operation, other	**0**	13	**4**	13	4	13
- Redemption of PRI liability	**0**	0	**197**	0	197	0
- Impairment	**0**	0	**0**	0	-4	-4
Profit before tax	**162**	133	**699**	351	903	555

First nine months of 2015

"Redemption of PRI liability" of SEK 197 M pertains to the earnings effect before tax of the transfer of the Swedish pension liability to Alecta. "Gain from sale of operation" pertains to the sale of Bilia's operation in Stavanger, and last year's profit pertains to gain from the sale of property.



Continuing operations (The Bilia Group, not including Denmark)

No. of new cars	Deliveries						Order backlog	
	Third quarter		Nine months		Oct. 14 -	Full year	30 Sept.	
	2015	2014	**2015**	2014	Sept. 15	2014	**2015**	2014
Sweden	**6,987**	6,392	**23,154**	21,221	31,396	29,463	**7,375**	5,856
Norway [1]	**1,913**	1,701	**5,824**	5,669	8,436	8,281	**1,815**	1,346
Total	**8,900**	8,093	**28,978**	26,890	39,832	37,744	**9,190**	7,202

[1] Toyota is included in deliveries during the quarter with 410 (-) and during the first nine months with 1,057 (-) and in order backlog with 218 (-).

SEK M	Net turnover						Operating profit/loss excl. items affecting comparability , operating margin										
	Third quarter		Nine months		Oct. 14 -	Full year	Third quarter				Nine months				Oct. 14 -	Full year	
	2015	2014	**2015**	2014	Sept. 15	2014	**2015**	**%**	2014	%	**2015**	**%**	2014	%	Sept. 15	2014	%
Sweden	**3,254**	3,044	**10,448**	9,582	13,976	13,110	**136**	**4.2**	108	3.5	**419**	**4.0**	296	3.1	581	458	3.5
Norway	**1,343**	1,255	**4,227**	3,828	5,723	5,324	**30**	**2.2**	21	1.7	**114**	**2.7**	85	2.2	176	147	2.8
Total Cars	**4,597**	4,299	**14,675**	13,410	19,699	18,434	**166**	**3.6**	129	3.0	**533**	**3.6**	381	2.8	757	605	3.3
Parent Company, other	**0**	0	**18**	-1	31	12	**-12**	**-**	-5	-	**-39**	**-**	-30	-	-61	-52	-
Total	**4,597**	4,299	**14,693**	13,409	19,730	18,446	**154**	**3.4**	124	2.9	**494**	**3.4**	351	2.6	696	553	3.0

- **Improved earnings in both Sweden and Norway**
- **Higher closing order backlog**

The market for new cars increased during the quarter by 14 per cent in Sweden and 8 per cent in Norway.

The Group reported an operating profit, excluding items affecting comparability, of SEK 154 M (124) and an operating margin of 3.4 per cent (2.9). The Service Business reported a profit that was SEK 13 M better, and the Car Business reported a profit that was SEK 26 M better, compared with last year. The order backlog increased by 1,705 cars during the quarter and was 1,988 cars higher at the end of the period compared with last year.

The operation in Sweden reported an operating profit of SEK 136 M (108), with an operating margin of 4.2 per cent (3.5). The Car Business reported a profit that was SEK 26 M better than last year. Sales of used cars continue to develop positively, and the profit improved by SEK 12 M due to higher turnover and a higher gross profit margin. Deliveries of new cars increased by 9 per cent during the quarter while orders received increased by 17 per cent, resulting in a much higher order backlog at the end of the quarter. The Service Business reported a profit that was SEK 3 M better than last year. The improvement is mainly attributable to higher turnover.

The operating profit in Bilia's Norwegian operation amounted to SEK 30 M (21) and the operating margin to 2.2 per cent (1.7). The Service Business reported a profit that was SEK 10 M better than last year. The improvement is mainly attributable to higher turnover, a higher gross profit margin and lower relative costs. The implementation of the Personal Service Technician concept, which was introduced in 2012, has developed positively with both higher customer satisfaction and improved earnings. The Car Business reported unchanged earnings compared with last year. Used car sales once again reported strong earnings that were slightly better than last year, due above all to increased turnover and a higher gross profit margin. New car sales reported slightly lower earnings compared with last year. Stocks of used cars increased slightly during the quarter, but are at a good level. The integration of the Toyota operation, which is included in the Group as from March 2015, developed very positively during the third quarter as well.

Continuing operations – divided into Service, Car and Fuel Businesses

	Net turnover [1]						Operating profit, operating margin					
	Third quarter		Nine months		Oct. 14 -	Full year	Third quarter		Nine months		Oct. 14 -	Full year
SEK M	**2015**	2014	**2015**	2014	Sept. 15	2014	**2015**	2014	**2015**	2014	Sept. 15	2014
Service Business	**965**	877	**3,137**	2,858	4,260	3,981	**92**	79	**297**	247	452	402
- margin, %							***9.6***	*9.0*	***9.5***	*8.6*	*10.6*	*10.1*
Car Business	**3,553**	3,288	**11,329**	10,259	15,202	14,132	**71**	45	**219**	121	283	185
- margin, %							***2.0***	*1.4*	***1.9***	*1.2*	*1.9*	*1.3*
Fuel Business	**262**	274	**768**	801	1,018	1,051	**3**	5	**17**	13	22	18
- margin, %							***1.0***	*1.6*	***2.2***	*1.6*	*2.2*	*1.7*

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	Total	Sweden	Norway	Total
Change from last year						
Underlying turnover	6.6	8.8	7.2	6.5	5.8	6.3
Calendar effect	0.0	0.0	0.0	-0.5	0.0	-0.4
Adjusted turnover	**6.6**	**8.8**	**7.2**	**6.0**	**5.8**	**5.9**

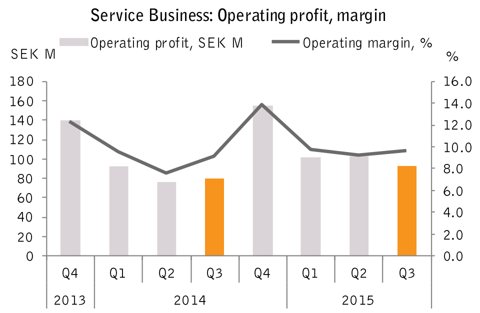
- Improved earnings in both Car and Service businesses
- Strong growth in the Service Business

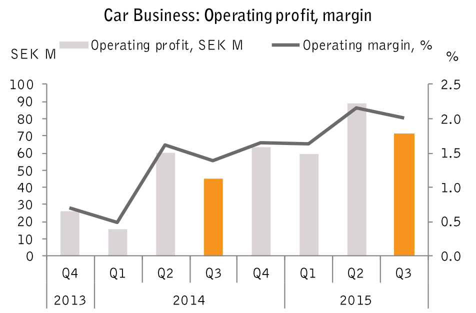
The Service Business reported a profit that was SEK 13 M better than last year. The improvement is mainly attributable to higher sales and lower relative costs. The operation in Norway developed positively and reported an adjusted turnover increase of 9 per cent, while Sweden reported an increase of 7 per cent. The number of working days was unchanged in both Sweden and Norway compared with the same quarter last year.

The Car Business's deliveries of new cars increased during the quarter by 7 per cent and deliveries of used cars by 5 per cent for comparable operations. Orders received for new cars increased by 17 per cent compared with last year. Earnings from sales of new cars improved by SEK 11 M, due mainly to higher turnover and a slightly higher gross profit margin. Earnings from sales of used cars improved by SEK 15 M, amounting to SEK 46 M. The improvement is attributable to higher turnover and a slightly higher gross profit margin.

Stocks of used cars decreased slightly during the quarter and are at good levels. The turnover rate for used cars increased, amounting to 11.0 times per year.

The Fuel Business is concentrated to Sweden, and earnings decreased to SEK 3 M (5). This decrease is mainly attributable to lower turnover and higher costs.





All values in the above graphs pertain to isolated quarters.

Discontinued operation

Cars Denmark

Bilia decided in March 2015 to discontinue its entire operation in Denmark. The comparison figures for the Consolidated Statement of Income and Other Comprehensive Income have been restated for 2014 to report the discontinued operation separately from the continuing operations. The criteria for presentation as a discontinued operation or for non-current assets held for sale were not fulfilled at 31 December 2014.

As per 30 September 2015, all five facilities have been disposed of.

Loss from discontinued operation

SEK M	Nine months 2015	Nine months 2014	Full year 2014
Revenues	470	746	1,027
Expenses	-634	-772	-1,094
Loss before tax	-164	-26	-67
Tax	63	-	-
Loss after tax from dicontinued operation	-101	-26	-67
Discontinued operation			
Basic earnings/loss per share, SEK	-2.00	-0.50	-1.35
Diluted earnings/loss per share, SEK	-2.00	-0.55	-1.30

Net cash flows from discontinued operation

SEK M	Nine months 2015
Cash flows from operating activities	-193
Cash flows from investing activities	194
Cash flows from financing activities	3
Net cash flows from discontinued operation	4

Acquisition of operation 2015

Toyota Hell Bil AS and Toyota Horten-Tønsberg AS

On 2 March 2015, Bilia acquired all the shares in Toyota Hell Bil AS and Toyota Horten-Tønsberg AS. The business is run from seven facilities and is concentrated to Trondheim and Tønsberg outside Oslo. Annual turnover is about SEK 1.0 bn, and for the past four years the operation has reported an operating profit of about SEK 25 M. The purchase consideration amounted to SEK 196 M. The entire purchase consideration was paid in cash. There is no contingent purchase consideration.

The acquisition enables Bilia to expand its offering with the Toyota and Lexus brands in Norway. Toyota, along with Volkswagen, is the market leader in Norway.

The business has about 225 employees and will continue to be operated from the present-day facilities.

Acquisition-related expenses amount to SEK 0.4 M and consist of fees to consultants for due diligence and have been recognized as "Other operating expenses".

Effects of the acquisition

Below is the final acquisition analysis, and the difference between the final acquisition analysis and the preliminary version that was presented during the first quarter of 2015 is shown in a separate column.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 Hell Bil AS and Toyota Horten-Tønsberg AS	Fair value adjustment	Fair value recognised in Group	Difference versus preliminary acquisition analysis
Intangible assets	-	84	84	0
Property, plant and equipment	37	267	304	3
Long-term investments	0	-	0	0
Deferred tax asset	2	-	2	0
Inventories	80	0	80	0
Trade receivables and other receivables	33	-	33	-5
Cash and cash equivalents	1	-	1	1
Trade payables and other liabilities	102	301	403	3
Net identifiable assets and liabilities	51	50	101	-4
Consolidated goodwill			95	-1
Purchase consideration paid, cash			196	-5
Less: Cash and cash equivalents in aquired operation			1	1
Net effect on cash and cash equivalents			195	-6

Acquired customer relations totalling SEK 62 M are recognised as intangible assets. Customer relations will be amortised over 10 years.

Acquired distribution rights totalling SEK 22 M are recognised as intangible assets. Distribution rights will be amortised 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 10 M (loss: 6). The result has been charged with SEK 3 M in special payroll tax attributable to value increases on endowment policies.

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 2014 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.

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than from continuing use. An asset (or disposal group) is classified as held for sale if it is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (or disposal groups) and its sale must be highly probable. These assets (or disposal groups) are recognised on a separate line as current assets or current liabilities in the Statement of Financial Position. On initial classification as held for sale, non-current assets (and disposal groups) are recognised at the lower of carrying amount and fair value less costs to sell. A discontinued operation is a component of the Group's business that represents a separate business segment or major line of business within a geographical area of operations or a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or, if earlier, when the operation meets the criteria to be classified as held for sale.

Profit or loss after tax from a discontinued operation is reported on a separate line in the Statement of Income and Other Comprehensive Income. When an operation is classified as discontinued, the presentation of the Consolidated Statement of Income and Other Comprehensive Income for the comparative year is changed so that the discontinued operation is recognised as if it had been discontinued at the start of the comparative year. The presentation of the Statement of Financial Position for the current and preceding year is not changed in a corresponding manner.

Annual General Meeting 2016

The Annual General Meeting will be held on 8 April 2016 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 19 February 2016 in order for the matter to be included in the notice of the meeting.

The annual report for 2015 will be published on Bilia's website on 16 March 2016.

Events after the end of the period

On 14 October 2015, Bilia decided to terminate the sales agreements for Ford cars in Sweden and Norway. The reasons for this decision were poor profitability over a long period of time and the impending need for considerable investments in the Ford operation. Bilia decided against these investments, which influenced the decision to terminate the sales agreements with Ford. Annual sales of Ford cars in Sweden and Norway amount to about SEK 750 M, accounting for just under 4 per cent of the Group's turnover. The period of notice of termination is 2 years, and new car sales are expected to decline gradually during this period, ceasing entirely by the end of 2017. This is not expected to affect Bilia's earnings per share. Tied-up capital is expected to decline during the period of notice by about SEK 70 M, which amount will be invested in the Group's other brands. Bilia is not terminating the workshop agreements and will be able to offer its Ford customers continued service and repairs.

In light of the fact that the operation in Denmark has been sold, Bilia's Board of Directors decided on 5 October 2015 to raise the financial goals, which are measured over a business cycle.

- Operating margin — Raised from at least 2.2 % to at least 2.5 %
- Return on capital employed — Raised from at least 14 % to at least 17 %
- Return on equity — Raised from at least 15 % to at least 18 %

Next report

The year-end report for 2015 will be published on 5 February 2016.

Gothenburg, 23 October 2015
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 2015 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, 23 October 2015

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 23 October 2015 at 08:30 a.m..

Group’s operating segments

Nine months

SEK M	Service 2015	Service 2014	Car 2015	Car 2014	Fuel 2015	Fuel 2014	Less: discontinued operation 2015	Less: discontinued operation 2014	Total Cars 2015	Total Cars 2014	Segment reconciliation 2015	Segment reconciliation 2014	Continuing operations 2015	Continuing operations 2014
Net turnover														
External sales	2,578	2,507	11,329	10,848	768	801		-746	14,675	13,410	18	-1	14,693	13,409
Internal sales	559	551						-43	559	508	-559	-508	-	-
Total net turnover	3,137	3,058	11,329	10,848	768	801		-789	15,234	13,918	-541	-509	14,693	13,409
Depreciation/amortisation	-48	-39	-209	-192	-3	-4		7	-260	-228	-19	-16	-279	-244
Operating profit/loss	297	254	219	97	17	13		17	533	381	162	-17	695	364
Interest income													2	5
Interest expenses													-19	-36
Shares in profits of associated companies			21	18					21	18			21	18
Profit before tax													699	351
Tax expense for the period													-147	-59
Profit for the period from continuing operations													552	292
Loss from discontinued operation, net after tax													-101	-26
Net profit for the period													451	266
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	2	7	2	6					4	13			4	13
- Redemption of PRI liability	13		52						65	-	132		197	-
- Structural costs etc.		-5		-1				6	-	-			-	-
Items of non-recurring nature	15	2	54	5	-	-		6	69	13	132	-	201	13
Material items not affecting cash besides depreciation/amortisation:														
- Other	-33	-42	-6	-25	0	-3		13	-39	-57	22	39	-17	-18
Total	-33	-42	-6	-25	0	-3		13	-39	-57	22	39	-17	-18
Assets														
Interests in associated companies			368	362					368	362			368	362
Deferred tax assets													134	102
Other assets													5,987	5,995
Total assets			368	362					368	362			6,489	6,459
Investments in non-current assets	52	88	814	799	1	3		-95	867	795	31	114	898	909
Liabilities														
Equity													1,872	1,805
Liabilities													4,617	4,654
Total liabilities and equity													6,489	6,459

SEK M	Revenue from external customers 2015	Revenue from external customers 2014	Non-current assets 2015	Non-current assets 2014
Geographical segments				
Sweden	10,467	9,586	3,110	2,974
Norway	4,227	3,828	887	477
Denmark, discontinued operation	-	-	-	113
Segment reconciliation	-1	-5	-671	-716
Total	14,693	13,409	3,326	2,848

Denmark is recognised as from 2015 as a discontinued operation.

Group's operating segments con'd.

Nine months

	Service						Car					
	Sweden		Norway		Denmark		Sweden		Norway		Denmark	
SEK M	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Net turnover												
External sales	1,845	1,739	733	611		157	7,851	7,042	3,478	3,217		589
Internal sales	382	337	177	171		43						
Total net turnover	2,227	2,076	910	782		200	7,851	7,042	3,478	3,217		589
Depreciation/amortisation	-32	-29	-16	-7		-3	-193	-170	-16	-18		-4
Operating profit/loss	222	198	75	49		7	179	85	40	36		-24
Shares in profits of associated companies							21	18				
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	2			
- Redemption of PRI liability	13						52					
- Structural costs etc.						-5						-1
Items of non-recurring nature	13	7	2	-		-5	52	6	2	-		-1
Material items not affecting cash besides depreciation/amortisation:												
- Other	-31	-35	-2	-1		-6	-7	-18	1	0		-7
Total	-31	-35	-2	-1		-6	-7	-18	1	0		-7
Assets												
Interests in associated companies							368	362				
Investments in non-current assets	29	75	23	12		1	732	688	82	17		94

Consolidated Statement of Income and Other Comprehensive Income

SEK M	Third quarter 2015	Third quarter 2014	Nine months 2015	Nine months 2014	Oct. 14 - Sept. 15	Full year 2014
Continuing operations						
Net turnover	4,597	4,299	14,693	13,409	19,730	18,446
Costs of goods sold	-3,850	-3,631	-12,331	-11,331	-16,533	-15,533
Gross profit	747	668	2,362	2,078	3,197	2,913
Other operating income	2	14	206	17	209	20
Selling expenses	-478	-447	-1,522	-1,412	-2,039	-1,929
Administrative expenses	-114	-98	-347	-318	-462	-433
Other operating expenses	-3	0	-4	-1	-12	-9
Operating profit [1)]	154	137	695	364	893	562
Financial income	0	1	2	5	3	6
Financial expenses	-5	-12	-19	-36	-22	-39
Shares in profits of associated companies	13	7	21	18	29	26
Net financial items	8	-4	4	-13	10	-7
Profit before tax	162	133	699	351	903	555
Tax	-31	-22	-147	-59	-191	-103
Profit for the period from continuing operations	131	111	552	292	712	452
Discontinued operation						
Loss from discontinued operation, net after tax	0	-6	-101	-26	-142	-67
Net profit for the period	131	105	451	266	570	385
Other comprehensive income/loss						
Items that cannot be reclassified to profit or loss						
Revaluation of defined-benefit pension plans	0	-61	-125	-105	-192	-172
Tax attributable to items that cannot be reclassified to profit or loss	0	13	28	23	44	39
	0	-48	-97	-82	-148	-133
Items that can be reclassified to profit or loss						
Translation differences attributable to foreign operations	-24	8	-29	24	-54	-1
Tax attributable to items that have been or may be reclassified to profit or loss	0	0	0	0	0	0
	-24	8	-29	24	-54	-1
Other comprehensive income/loss after tax	-24	-40	-126	-58	-202	-134
Comprehensive income for the period	107	65	325	208	368	251
Net profit for the period attributable to:						
Parent Company's shareholders	131	105	451	266	570	385
Comprehensive income for the period attributable to:						
Parent Company's shareholders	107	65	325	208	368	251
Weighted average number of shares, '000:						
- before dilution	50,420	50,319	50,398	50,301	50,382	50,310
- after dilution	50,919	50,919	50,919	50,919	50,919	50,919
Basic earnings/loss per share, SEK	2.60	2.10	8.95	5.30	11.30	7.65
Diluted earnings/loss per share, SEK	2.55	2.00	8.85	5.20	11.25	7.60
Continuing operations						
Basic earnings/loss per share, SEK	2.60	2.20	10.95	5.80	14.15	9.00
Diluted earnings/loss per share, SEK	2.60	2.20	10.85	5.75	14.00	8.90

[1)] Straight-line amortisation/depreciation by asset class:						
- Intellectual property	-11	-10	-35	-30	-45	-40
- Land and buildings	-4	-4	-11	-11	-22	-22
- Equipment, tools, fixtures and fittings	-19	-16	-55	-48	-64	-57
- Leased vehicles	-62	-53	-178	-155	-234	-211
Total	-96	-83	-279	-244	-365	-330

Consolidated Statement of Financial Position, Summary

SEK M	30/9 2015	31/12 2014	30/9 2014
Assets			
Non-current assets			
Intangible assets			
Intellectual property	227	177	186
Goodwill	321	259	267
	548	436	453
Property, plant and equipment			
Land and buildings	127	100	96
Construction in progress	10	7	3
Equipment, tools, fixtures and fittings	318	321	321
Leased vehicles [1]	1,945	1,637	1,574
	2,400	2,065	1,994
Long-term investments			
Financial investments [1]	376	381	377
Long-term receivables [2]	2	25	24
	378	406	401
Deferred tax assets	134	118	102
Total non-current assets	3,460	3,025	2,950
Current assets			
Inventories, merchandise	2,012	2,250	1,939
Current receivables			
Other receivables [1]	908	1,064	933
Cash and cash equivalents [2]	109	616	637
Total current assets	3,029	3,930	3,509
Total assets	6,489	6,955	6,459
Equity and liabilities			
Equity			
Share capital	252	252	251
Other contributed capital	47	47	47
Reserves	-83	-54	-29
Retained earnings including net profit for the year	1,656	1,604	1,536
Total equity	1,872	1,849	1,805
Non-current liabilities			
Debenture loan [3]	28	28	28
Interest-bearing liabilities [3]	63	64	59
Other liabilities and provisions [4]	1,541	1,864	1,603
	1,632	1,956	1,690
Current liabilities			
Interest-bearing liabilities [3]	279	188	195
Other liabilities and provisions	2,706	2,962	2,769
	2,985	3,150	2,964
Total equity and liabilities	6,489	6,955	6,459
Assets			
[1] Of which interest-bearing	369	377	390
[2] Interest-bearing	111	641	661
Liabilities			
[3] Interest-bearing	370	280	282
[4] Of which interest-bearing	12	668	612

Statement of Changes in Group Equity, Summary

SEK M	30/9 2015	31/12 2014	30/9 2014
Opening balance	1,849	1,823	1,823
Cash dividend to shareholders	-302	-226	-226
Exercised warrants	0	1	0
Comprehensive income for the period	325	251	208
Closing balance	1,872	1,849	1,805

Consolidated Statement of Cash Flows

	Third quarter		Nine months		Oct. 14 -	Full year
SEK M	2015	2014	2015	2014	Sept. 15	2014
Operating activities						
Profit before tax from continuing operations	162	133	699	351	903	555
Loss before tax from discontinued operation	47	-6	-164	-26	-205	-67
Depreciation and impairment losses from continuing operations	96	83	279	244	375	340
Depreciation and impairment losses from discontinued operation	0	3	2	7	4	9
Other items not affecting cash	73	-22	-17	-18	11	10
Tax paid	-23	-22	-59	-113	-52	-106
Change in inventories	-89	195	40	408	-298	70
Change in operating receivables	93	156	151	88	-4	-67
Change in operating liabilities	51	126	-62	176	317	555
Cash flow from operating activities	410	646	869	1,117	1,051	1,299
Investing activities						
Acquisition of non-current assets (intangible and tangible)	-61	-28	-137	-153	-179	-195
Disposal of non-current assets (intangible and tangible)	0	72	34	76	36	78
Acquisition of leased vehicles	-249	-221	-761	-756	-1,110	-1,105
Disposal of leased vehicles	23	128	437	455	653	671
Operating cash flow	123	597	442	739	451	748
Investment in financial assets	-3	0	-26	-5	-28	-7
Disposal of financial assets	3	8	25	8	25	8
Acquisition of subsidiary/operation, net	0	0	-195	-42	-195	-42
Disposal of subsidiary/operation, net	0	0	55	8	55	8
Disposal of discontinued operation, net	4	0	4	0	4	0
Cash flow after net investments	127	605	305	708	312	715
Financing activities						
Borrowings	400	0	800	400	800	400
Repayment of loans	-800	-100	-800	-400	-800	-400
Change in overdraft facility	11	14	-510	-3	-536	-29
Exercised warrants	0	0	0	0	1	1
Dividend paid to Parent Company's shareholders	0	0	-302	-226	-302	-226
Cash flow from financing activities	-389	-86	-812	-229	-837	-254
Change in cash and cash equivalents, excl. translation differences	-262	519	-507	479	-525	461
Cash and cash equivalents recognised in assets held for sale	180	0	0	0	0	0
Exchange difference in cash and cash equivalents	10	3	0	3	-3	0
Change in cash and cash equivalents	-72	522	-507	482	-528	461
Cash and cash equivalents at start of period	181	115	616	155	637	155
Cash and cash equivalents at end of period	109	637	109	637	109	616

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

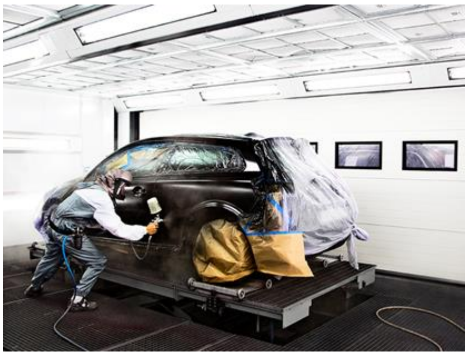
The fair value of currency derivatives is determined on the basis of market rates. If such rates are not available, the fair value is calculated by discounting the difference between the contracted forward rate and the forward rate that can be obtained on the balance sheet date for the remaining contract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

Quarterly review

	4/13	1/14	2/14	3/14	4/14	1/15	2/15	**3/15**
Continuing operations								
Net turnover, SEK M	4,878	4,291	4,819	4,299	5,037	4,715	5,381	**4,597**
Operating profit excl. items affecting comparability, SEK M	159	101	126	124	202	153	187	**154**
Operating margin excl. items affecting comparability, %	3.2	2.3	2.6	2.9	4.0	3.2	3.5	**3.4**
Operating profit, SEK M	157	101	126	137	198	157	384	**154**
Operating margin, %	3.2	2.3	2.6	3.2	3.9	3.3	7.1	**3.4**
Profit before tax, SEK M	155	96	122	133	204	154	383	**162**
Interest coverage ratio, times [1]	6.3	6.9	7.4	8.3	15.0	17.8	30.9	**41.3**
The Bilia Group								
Profit/loss for the period, SEK M	128	74	87	105	119	23	297	**131**
Rate of capital turnover, times [1]	3.06	3.12	3.12	3.10	3.06	2.99	2.99	**2.98**
Return on capital employed, % [1]	17.7	18.7	19.4	21.0	19.8	21.8	31.7	**33.8**
Return on equity, % [1]	17.0	18.9	20.0	22.2	21.0	18.5	30.5	**31.6**
Net debt/equity, times	0.14	0.13	0.23	-0.09	-0.04	0.05	0.04	**-0.05**
Equity/assets ratio, %	30	31	28	28	27	24	25	**29**
Data per share (SEK)								
Earnings/loss for the period	2.60 [2]	1.50 [4]	1.70 [6]	2.10 [8]	2.35 [10]	0.45 [12]	5.90 [14]	**2.60** [16]
Equity	36 [3]	38 [5]	35 [7]	36 [9]	37 [11]	35 [13]	35 [15]	**37** [17]
Operating cash flow	-3.50 [2]	0.45 [4]	2.35 [6]	11.90 [8]	0.15 [10]	2.40 [12]	3.90 [14]	**2.45** [16]

For continuing operations, Bilia's Danish operation has been excluded for year 2014.

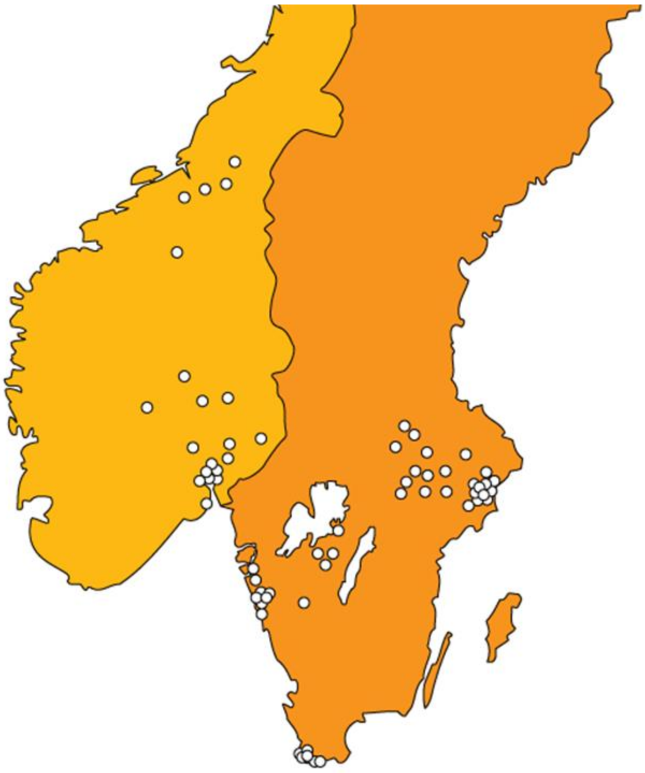
1) Rolling 12 months.
2) Based on weighted average number of shares outstanding during fourth quarter, 50,073,069.
3) Based on number of shares outstanding at 31 December 2013, 50,279,184.
4) Based on weighted average number of shares outstanding during first quarter, 50,282,769.
5) Based on number of shares outstanding at 31 March 2014, 50,290,102.
6) Based on weighted average number of shares outstanding during second quarter, 50,301,686.
7) Based on number of shares outstanding at 30 June 2014, 50,312,326.
8) Based on weighted average number of shares outstanding during third quarter, 50,318,925.
9) Based on number of shares outstanding at 30 September 2014, 50,330,722.
10) Based on weighted average number of shares outstanding during fourth quarter, 50,334,058.
11) Based on number of shares outstanding at 31 December 2014, 50,348,066.
12) Based on weighted average number of shares outstanding during first quarter, 50,366,845.
13) Based on number of shares outstanding at 31 March 2015, 50,393,016.
14) Based on weighted average number of shares outstanding during second quarter, 50,405,884.
15) Based on number of shares outstanding at 30 June 2015, 50,418,122.
16) Based on weighted average number of shares outstanding during third quarter, 50,419,599.
17) Based on number of shares outstanding at 30 September 2015, 50,424,016.



Income Statement for Parent Company

SEK M	Third quarter 2015	2014	Nine months 2015	2014	Oct. 14 - Sept. 15	Full year 2014
Net turnover	106	111	338	328	454	444
Administrative expenses	-116	-117	-388	-358	-524	-494
Operating loss 1)	-10	-6	-50	-30	-70	-50
Result from financial items						
Income from interests in Group companies	0	15	0	70	-115	-45
Interest income from Group companies	6	4	16	19	19	22
Other interest income and similar line items	0	1	1	3	1	3
Interest expenses to Group companies	0	0	0	0	0	0
Interest expenses and similar line items	-3	-3	-8	-9	-9	-10
Loss after financial items	-7	11	-41	53	-174	-80
Appropriations	0	0	0	0	341	341
Profit before tax	-7	11	-41	53	167	261
Tax	3	0	8	6	-59	-61
Net profit for the period	-4	11	-33	59	108	200

1) Straight-line amortisation/depreciation by asset class:						
- Intellectual property	-3	-4	-12	-11	-16	-15
- Buildings	-1	0	-2	-1	-2	-1
- Equipment, tools, fixtures and fittings	-1	-1	-3	-2	-4	-3
Total	-5	-5	-17	-14	-22	-19



Balance Sheet for Parent Company, Summary

SEK M	30/9 2015	31/12 2014	30/9 2014
Assets			
Non-current assets			
Intangible assets			
Intellectual property	50	47	44
	50	47	44
Property, plant and equipment			
Buildings	28	23	20
Construction in progress	10	6	3
Equipment, tools, fixtures and fittings	12	11	9
	50	40	32
Long-term investments			
Interests in Group companies	679	679	716
Other securities held as non-current assets	0	0	0
Other non-current receivables	-	20	20
Deferred tax asset	41	33	30
	720	732	766
Total non-current assets	820	819	842
Current assets			
Current receivables			
Receivables from Group companies	36	493	36
Other receivables	134	298	381
Cash on hand and accrued deposits	421	351	221
Total current assets	591	1,142	638
Total assets	1,411	1,961	1,480
Equity and liabilities			
Equity			
Restricted equity			
Share capital	252	252	251
Statutory reserve	47	47	47
	299	299	298
Non-restricted equity			
Share premium reserve	47	47	47
Retained earnings including net profit for the year	468	803	662
	515	850	709
Total equity	814	1,149	1,007
Untaxed reserves	386	386	277
Provisions			
Provisions for pensions and similar obligations	-	22	22
Deferred tax liability	2	2	1
	2	24	23
Non-current liabilities			
Debenture loan	28	28	28
Other liabilities	5	5	5
	33	33	33
Current liabilities			
Liabilities to Group companies	-	204	0
Other liabilities	176	165	140
	176	369	140
Total equity and liabilities	1,411	1,961	1,480
Pledged assets and contingent liabilities for Parent Company			
Pledged assets	596	567	552
Contingent liabilities	717	1,597	1,197