



Bilia terminates the distribution agreements for Ford cars in Sweden and Norway

Today, Bilia has given notice of termination of its distribution agreements for the sale of new Ford cars in Sweden and Norway. The decision is based on weak profitability for a long time and Bilia faced significant investment decisions in the Ford business. Bilia has decided not to proceed with the investments, which also has influenced the decision to terminate the distribution agreements with Ford.

The sales of new Ford cars in Sweden and Norway amounts to about SEK 750 M per year, which represents barely 4 per cent of the total turnover of the company group. The notice period is two years and it is estimated that the sales will decline during the period of notice, and cease at the end of 2017.

The termination is not estimated to have an impact on earnings per share. The tied-up capital is estimated to decrease with about SEK 70 M during the notice period, which will be invested in the remaining brands of the company group.

Bilia will retain the workshop contracts and continue to offer Ford customers service and repairs.

Gothenburg, 14 October 2015

Bilia AB (publ)

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

The above information is disclosed in accordance with the Securities Market Act and/or the Financial Instruments Trading Act. The information was published on 14 October 2014, at 15:05.