

Mekonomen

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30 August 2012

Interim report January – June 2012

1 April – 30 June

- Revenues increased 15 per cent adjusted for currency effects and calculated on comparable workdays. Prior to adjustment, revenues increased 15 per cent to SEK 1,341 M (1,169).
- Adjusted for Meca the growth was 0 per cent.
- EBIT declined 19 per cent to SEK 141 M (173) and the EBIT margin was 11 per cent (15).
- Adjusted for Meca and costs connected to the acquisition of Meca EBIT declined to SEK 120 M (173).
- Profit after financial items declined 21 per cent to SEK 132 M (167).
- Profit after tax totalled SEK 93 M (122).
- Earnings per share before and after dilution amounted to SEK 2.65 (3.67).

1 January – 30 June

- Revenues increased 19 per cent adjusted for currency effects and calculated on comparable workdays. Prior to adjustment, revenues increased 20 per cent to SEK 2,437 M (2,032).
- EBIT declined 6 per cent to SEK 252 M (269) and the EBIT margin was 10 per cent (13).
- Profit after financial items declined 9 per cent to SEK 238 M (261).
- Profit after tax totalled SEK 170 M (191).
- Earnings per share before and after dilution amounted to SEK 4.95 (5.75).
- Net debt at the end of the period totalled SEK 2,186 M (671).

Significant events

- During the second quarter, the acquisition of Meca on 23 May 2012 had a positive impact of SEK 173 M on net sales and SEK 32 M on EBIT. Additionally, transaction costs connected to the acquisition of Meca had a negative impact of SEK 11 M on EBIT.

SUMMARY OF THE GROUP'S EARNINGS TREND	April – June			January – June			12 months	Full-year
	2012	2011	Change %	2012	2011	Change %	July – June	2011
Revenues, SEK M	1,341	1,169	15	2,437	2,032	20	4,642	4,237
EBIT, SEK M	141	173	-19	252	269	-6	518	536
Profit after financial items, SEK M	132	167	-21	238	261	-9	500	523
Profit after tax, SEK M	93	122	-24	170	191	-11	359	380
Earnings per share, SEK	2.65	3.67		4.95	5.75		10.59	11.39
EBIT margin, %	11	15		10	13		11	13

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Stronger market share in weak market

- Revenues for the second quarter of 2012 rose 15 per cent, including Meca, which is included from 23 May
- The initiated integration of Meca has been successful
- Lower earnings impacted by weak market

Mekonomen's EBIT for the second quarter of 2012 declined 19 per cent to SEK 141 M (173). Costs for Mekonomen's long-term investments regarding Mega facilities, the establishment in Finland, the marine venture and proprietary workshops of SEK 9 M (10) is included. Transaction costs related to the acquisition of Meca of SEK 11 M (0) during the second quarter has also affected the result. Adjusted for Meca and transaction costs related to the acquisition of Meca, EBIT declined to SEK 120 M (173). Revenues increased 15 per cent to SEK 1,341 M (1,169) and the EBIT margin was 11 per cent (15). Adjusted for Meca the growth was 0 per cent in a market which declined approximately 7 per cent during the quarter. Focus during the quarter was on further consolidating our operation.

Another strong focus was on integrating Meca and Sørensen og Balchen, which has been successful. Following the acquisitions, both Meca and Sørensen og Balchen have reported good earnings.

Meca, which was acquired on 23 May 2012, reported a strong performance and the integration is progressing ahead of schedule. Net sales from 23 May to 30 June amounted to SEK 173 M and EBIT, which was positively impacted by synergy effects, to SEK 32 M.

Sørensen og Balchen was impacted by a weak consumer market. Net sales during the second quarter declined to SEK 194 M (199) and the EBIT margin was 14 per cent (18). EBIT during the second quarter of 2011 had been positively impacted by a seasonal effect pertaining to the holiday pay debt.

Mekonomen Norway reported an EBIT margin of 17 per cent (18). Net sales were unchanged during the quarter. Sales to affiliated workshops developed well, as did the Fleet division, which secured several new contracts.

EBIT in Denmark declined to a loss of SEK 6 M (profit: 26), with a negative EBIT margin of 3 per cent (pos: 13), due to a rapid deterioration of the market conditions and an increase in competitive pressure, which had a negative impact on the gross margin. The EBIT margin for the first half of the year was 1 per cent (11). The underlying second-quarter net sales declined 2 per cent. Net sales during the second quarter fell to SEK 187 M (195), in a market that contracted more than 10 per cent in Denmark. We are currently implementing strong measures to adapt the structure and fixed costs in Denmark to the prevailing market situation, but with a focus on retaining our strong position in this market.

The second-quarter EBIT margin in Sweden was 16 per cent (18). Net sales fell 4 per cent and the underlying net sales decreased 3 per cent. Sales to affiliated workshops developed well.

In Finland, four new Medium units were established during the second quarter. We are noting a positive trend in the new units that have been established.

Mekonomen's marine venture displayed a favourable sales trend, with a 32 per-cent year-on-year increase during the first half of 2012 in a sharply declining market. However, the area represents a small portion of the Group's total business.

New car sales have decreased and car owners are postponing service and repairs. Although we anticipate a continued weak market for the remainder of 2012, we discern several parallels with 2008, when the market displayed the same patterns and subsequently increased in the following years. For Mekonomen, this means that consolidation of the operations will continue in 2012. It also means that we have an opportunity to capture additional market share and strengthen our position. In the consolidation of our industry, Mekonomen has taken the lead and the acquisition of Meca is a clear example of this. We see healthy potential for organic growth in coming years.

Håkan Lundstedt, President and CEO

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Consolidated sales and earnings

REVENUES

1 April – 30 June

Adjusted for currency effects, revenues increased 14 per cent in the quarter. Prior to adjustment, revenues increased 15 per cent to SEK 1,341 M (1,169). On average, the number of workdays was one day less than in the year-earlier period. Calculated on comparable workdays and adjusted for currency effects, the increase was 15 per cent.

1 January – 30 June

Adjusted for currency effects, revenues for the period increased 19 per cent. Prior to adjustment, revenues increased 20 per cent to SEK 2,437 M (2,032). The number of workdays in Sweden and Denmark was the same as in the preceding year but one more in Norway. Calculated on comparable workdays and adjusted for currency effects, the increase was 19 per cent.

EBIT

1 April – 30 June

EBIT amounted to SEK 141 M (173) and the EBIT margin to 11 per cent (15). Costs for Mekonomen's long-term initiatives, as well as acquisition costs, had an impact of SEK 20 M (10) on second-quarter operating profit, of which acquisition costs for Meca accounted for SEK 11 M (0).

1 January – 30 June

EBIT amounted to SEK 252 M (269) and the EBIT margin to 10 per cent (13). Costs for Mekonomen's long-term initiatives, as well as acquisition costs, had an impact of SEK 31 M (25) on EBIT for the period, of which acquisition costs for Meca accounted for SEK 12 M (0).

PROFIT AFTER FINANCIAL ITEMS

Profit after financial items amounted to SEK 132 M (167) for the second quarter and to SEK 238 M (261) for the first six months of the year. Net interest expense was SEK 6 M (expense: 5) in the second quarter and other financial items amounted to an expense of SEK 2 M (expense: 1). Net interest expense for the first six months was SEK 12 M (expense: 6) and other financial items amounted to an expense of SEK 2 M (expense: 2).

Financial position

Cash flow from operating activities amounted to SEK 120 M (146) for the second quarter and to SEK 130 M (98) for the first six months of the year. Cash and cash equivalents and current investments totalled SEK 50 M on 30 June 2012, compared with SEK 67 M on 31 December 2011. The equity/assets ratio was 37 per cent (48). Interest-bearing liabilities amounted to SEK 2,236 M (722) and net indebtedness at the end of the period to SEK 2,186 M, compared with SEK 580 M at the end of the year. The increase in interest-bearing liabilities was primarily due to the acquisition of Meca, as well as the dividend of SEK 274 M paid during the second quarter.

Investments

During the second quarter, investments in fixed assets amounted to SEK 34 M (37). For the first six months, these investments totalled SEK 57 M (64). Company and business acquisitions amounted to SEK 2,022 M (38) during the second quarter and to SEK 2,041 M (867) for the first six months. During the first six months, acquired assets totalled SEK 618 M (384) and acquired liabilities SEK 326 M (128). In addition to goodwill, which amounted to SEK 1,108 M (443), intangible surplus values were identified of SEK 270 M (56) pertaining to brands, SEK 0 M (47) to franchise contracts and SEK 600 M (136) to customer relations. The brand has an indefinite useful life; franchise contracts and customer relations are estimated to have a useful life of ten years. Refer to page 11, for the preliminary effects of acquisitions implemented.

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Acquisitions and start-ups

Second quarter

Mekonomen's acquisition of the spare-parts chain Meca was finalised on 23 May, following approval from the Norwegian Competition Authority. Annual synergies directly resulting from the acquisition are estimated at SEK 80 M as of 2013. Meca will continue to operate as a separate company under its existing brand. Payment comprised 3,086,882 new shares through a non-cash issue, and SEK 1,351 M in cash. Meca is included in Mekonomen's financial reporting from the acquisition date of 23 May 2012. The total purchase consideration was SEK 2,010 M.

During the second quarter, Mekonomen Sweden acquired three affiliated stores located in Mölndal, Högsbo and Kungsbacka. During the period, a new store in Partille was also opened, and a new partner store in Strömstad was affiliated.

In Finland, a new store in Kuopio was opened in the second quarter. Furthermore, three stores in Jakobstad, Ekenäs and Mariehamn were affiliated during the period.

Earlier during the year

In accordance with earlier communications, Mekonomen has taken over the operation of four Marina stores in Roslagen, Västervik, Tranås and on Orust in Sweden.

Earlier in the year, Mekonomen Sweden acquired two affiliated stores located in Åmål and Sala.

Mekonomen Denmark acquired two affiliated stores located in Holbæk and Brønderslev, and started a new store in Skærbæk.

In Sørensen og Balchen, a new store opened in Os, outside Bergen during the first quarter.

The number of stores in the chain at the end of the period totalled 426 (325), including 309 (222) proprietary stores. The number of affiliated workshops rose to 2,248 (1,608), of which Mekonomen Service Centres increased to 1,056 (1,002), MekoPartner to 417 (383), BilXtra to 230 (212), Speedy to 11 (11) and Meca Car Service to 534 (0).

Employees

The number of employees at the end of the period was 2,703 (2,101) and the average number of employees during the period was 2,125 (1,765).

Performance by segment

MECA

EARNINGS TREND	April – June			January – June			12 months	Full-year
	2012	2011	Change %	2012	2011	Change %	July – June	2011
Net sales (external), SEK M	173	-	-	173	-	-	-	-
EBIT, SEK M	32	-	-	32	-	-	-	-
EBIT margin, %	18	-	-	18	-	-	-	-
Number of stores/of which wholly owned				90/68	-	-	-	-
Number of Meca Car Service workshops				534	-	-	-	-

Sales and earnings in the first half of 2012, as well as the second quarter of 2012, pertained to the period 23 May–30 June. Earnings during the corresponding period were impacted by positive synergy effects. The integration project developed well and is progressing ahead of schedule. Furthermore, earnings during the period were charged a total of SEK 5 M for planned amortisation of the intangible assets related to the acquisition.

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MEKONOMEN SWEDEN

EARNINGS TREND	April – June			January – June			12 months	Full-year
	2012	2011	Change %	2012	2011	Change %	July – June	2011
Net sales (external), SEK M	446	467	-4	870	872	0	1,745	1,747
EBIT, SEK M	70	89	-21	141	156	-10	308	323
EBIT margin, %	16	18		16	17		18	18
Number of stores/of which wholly owned				144/118	143/112	-	-	144/114
Number of Mekonomen Service Centres				457	429	-	-	438
Number of MekoPartner				135	125	-	-	128

The underlying net sales decreased 3 per cent in the second quarter and were unchanged for the six-month period. The number of workdays was one less than in the year-earlier period but the same for the six-month period. During the quarter, there was a strong focus on recruiting more affiliated workshops. The first half of the year was characterised by weak market growth, primarily pertaining to sales to consumers and of accessories.

MEKONOMEN NORWAY

EARNINGS TREND	April – June			January – June			12 months	Full-year
	2012	2011	Change %	2012	2011	Change %	July – June	2011
Net sales (external), SEK M	216	217	0	421	394	7	835	808
EBIT, SEK M	37	40	-8	67	65	3	134	132
EBIT margin, %	17	18		16	17		16	16
Number of stores/of which wholly owned				51/35	50/34	-	-	53/36
Number of Mekonomen Service Centres				383	366	-	-	380
Number of MekoPartner				71	72	-	-	78

The underlying net sales decreased 3 per cent in the second quarter and increased 3 per cent for the six-month period. The number of workdays was unchanged for the quarter. The number of workdays was one more in the six-month period compared with the year-earlier period, while the currency effect was positive for both the second quarter and the six-month period. During the quarter, the Fleet division developed well with several new contracts.

MEKONOMEN DENMARK

EARNINGS TREND	April – June			January – June			12 months	Full-year
	2012	2011	Change %	2012	2011	Change %	July – June	2011
Net sales (external), SEK M	187	195	-4	378	382	-1	755	759
EBIT, SEK M	-6	26	-123	4	43	-91	24	63
EBIT margin, %	-3	13		1	11		3	8
Number of stores/of which wholly owned				50/42	51/38	-	-	54/40
Number of Mekonomen Service Centres				214	205	-	-	215
Number of MekoPartner				211	186	-	-	214

The underlying net sales decreased 2 per cent in the second quarter and were unchanged for the six-month period. The number of workdays during the second quarter was one less than in the year-earlier period but unchanged for the six-month period; the currency effect was negative for both the second quarter and the six-month period. A weak market and increased competitive pressure, resulting in a low gross margin, had a negative impact on the EBIT margin.

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SØRENSEN OG BALCHEN

EARNINGS TREND	April – June			January – June			12 months	Full-year
	2012	2011	Change %	2012	2011	Change %	July – June	2011
Net sales (external), SEK M	194	199	-3	380	237	60	746	603
EBIT, SEK M	27	37	-27	38	38	0	88	88
EBIT margin, %	14	18	-	10	16		12	15
Number of stores/of which wholly owned	-	-	-	77/36	76/34	-	-	77/35
Number of BilXtra workshops	-	-	-	230	212	-	-	219

The underlying net sales for the second quarter decreased 5 per cent. During the full first half of 2011, net sales amounted to SEK 362 M and operating profit to SEK 41 M, of which Mekonomen was the owner from 11 March 2011. Since the acquisition of Sørensen og Balchen, the integration effort has continued successfully and contributed to improved earnings. During the 12-month period, from the third quarter of 2011 to the second quarter of 2012, Sørensen og Balchen reported sales of SEK 746 M, with EBIT of SEK 88 M. Prior to the planned amortisation of the intangible assets related to the acquisition, profit for the corresponding period was SEK 107 M.

Number of workdays per quarter and country

Mekonomen has no actual seasonal effects in its operations. However, the number of workdays affects sales and profits. The table below shows the distribution of the number of workdays per quarter and country.

	Q 1		Q 2		Q 3		Q 4		Full-year	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Sweden	64	63	59	60	65	66	62	64	250	253
Norway	65	64	59	59	65	66	62	64	251	253
Denmark	65	64	58	59	65	66	62	64	250	253

Significant risks and uncertainties

The company conducted a review and assessment of operating and financial risks and uncertainties in accordance with the description in the 2011 Annual Report and found that the change in significant risks that has occurred since then was that the acquisition of Meca will increase currency exposure in NOK and Euro. Interest exposure also increased. The Group's long-term borrowing occurs mainly under credit frameworks with long-term lines of credit, but with short-term fixed-interest periods. Existing overdraft facilities are in SEK, NOK and DKK. Other loans are entirely in SEK. Refer to the 2011 Annual Report for a complete report on the risks that affect the Group.

Parent Company and other

The Parent Company's operations comprise Group management and Group-wide functions, as well as finance management. Net financial items for the Parent Company amounted to an expense of SEK 10 M (expense: 17) for the quarter and an expense of SEK 13 M (expense: 19) for the six-month period, excluding dividends of SEK 93 M (0) from subsidiaries for both the quarter and the six-month period. The average number of employees for the six-month period was 73 (75). During the first half of 2012, Mekonomen AB sold products and services to Group companies for a total of SEK 70 M (50).

In addition to the Parent Company, Others also comprise Mekonomen Fleet, Speedy, Marinshopen, Mekonomen Finland and Mekonomen BilLivet. Operating loss in the Other segment for the six-month period amounted to SEK 30 M (loss: 35).

Events after the end of the period

No significant events occurred after the end of the reporting period.

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Accounting policies

Mekonomen applies the International Financial Reporting Standards (IFRS) as adopted by the EU. This interim report was prepared in accordance with the Annual Accounts Act and IAS 34 Interim Financial Reporting. The same accounting policies and calculation methods were applied as in the most recent Annual Report. The new or revised IFRS standards or IFRIC interpretations that became effective on 1 January 2012 have not had any material effect on the Group's income statement or balance sheets.

The Parent Company prepares its accounts in accordance with the Annual Accounts Act and RFR 2 and applies the same accounting policies and measurement methods as in the most recent Annual Report.

Forthcoming financial reporting dates

INFORMATION	PERIOD	DATE
Interim report	January – September 2012	8 November 2012
Year-end report	January – December 2012	14 February 2013
Interim report	January – March 2013	8 May 2013
Interim report	January – June 2013	27 August 2013
Interim report	January – September 2013	7 November 2013
Year-end report	January – December 2013	13 February 2014

Board of Directors' assurance

The Board of Directors and CEO affirm that the six-month report presents a true and fair view of the company's and the Group's operations, financial position and profits and describes the significant risks and uncertainties facing the company and companies included in the Group.

Stockholm, 30 August 2012

Mekonomen AB (publ), Corp. Reg. No: 556392-1971

Fredrik Persson
Chairman of the Board

Marcus Storch
Vice Chairman of the Board

Antonia Ax:son Johnson
Board member

Wolff Huber
Board member

Kenny Bräck
Board member

Helena Skåntorp
Board member

Anders G Carlberg
Board member

Håkan Lundstedt
President and CEO

This report has not been subject to review by the Company's auditors.

For further information, please contact:

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The information in this interim report is such that Mekonomen is obligated to publish in accordance with the Securities Market Act.

The information was submitted for publication on 30 August 2012.

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Consolidated financial reports

QUARTERLY DATA PER OPERATING SEGMENT*)	2012		2011					2010				
	Q2	Q1	Full-year	Q4	Q3	Q2	Q1	Full-year	Q4	Q3	Q2	Q1
NET SALES, SEK M ¹⁾												
Mekonomen Sweden	446	423	1,747	434	440	467	405	1,708	455	422	451	381
Mekonomen Norway	216	205	808	206	208	217	177	817	202	199	221	194
Mekonomen Denmark	187	191	759	190	187	195	187	777	184	185	204	204
Sørensen og Balchen	194	186	603	176	190	199	39	-	-	-	-	-
Meca****)	173	-	-	-	-	-	-	-	-	-	-	-
Other**)	82	65	223	68	61	64	30	72	31	16	16	10
GROUP	1,298	1,070	4,140	1,074	1,086	1,142	838	3,374	872	821	892	789
EBIT, SEK M												
Mekonomen Sweden	70	72	323	78	89	89	67	310	78	91	87	55
Mekonomen Norway	37	30	132	31	36	40	25	144	32	40	44	28
Mekonomen Denmark	-6	10	63	1	18	26	17	45	7	12	20	6
Sørensen og Balchen	27	11	88	25	25	37	2	-	-	-	-	-
Meca****)	32	-	-	-	-	-	-	-	-	-	-	-
Other**)	-18	-12	-70	-30	-5	-19	-16	-14	-7	-2	-7	1
GROUP	141	111	536	104	163	173	95	485	110	141	144	90
INVESTMENTS****), SEK M												
Mekonomen Sweden	12	3	48	15	2	12	19	47	20	12	6	6
Mekonomen Norway	0	1	11	6	3	-	2	6	2	1	1	2
Mekonomen Denmark	5	3	27	16	5	5	1	8	1	3	2	2
Sørensen og Balchen	1	1	4	-	2	1	1	-	-	-	-	-
Meca****)	2	-	-	-	-	-	-	-	-	-	-	-
Other**)	14	14	44	16	4	19	4	36	12	8	13	6
GROUP	34	23	134	53	16	37	27	97	35	24	22	16
EBIT MARGIN, %												
Mekonomen Sweden	16	16	18	18	20	18	16	18	17	21	19	14
Mekonomen Norway	17	15	16	15	17	18	14	18	16	20	20	14
Mekonomen Denmark	-3	5	8	1	10	13	9	6	4	6	10	3
Sørensen og Balchen	14	6	15	14	13	18	4	-	-	-	-	-
Meca****)	18	-	-	-	-	-	-	-	-	-	-	-
GROUP	11	10	13	10	15	15	11	14	12	17	16	11

*) Net sales for each segment are from external customers.

**) Others comprise Mekonomen AB, Mekonomen Fleet AB, Speedy, Marinshopen, Mekonomen Finland, Mekonomen BilLivet AB, as well as Group-wide and eliminations.

***) Excluding company and business acquisitions

****) Pertain to 23 May – 30 June 2012 period

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ASSETS AND LIABILITIES PER SEGMENT	Mekonomen Sweden		Mekonomen Norway		Mekonomen Denmark		Sørensen og Balchen		Meca		Other		Group	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Assets	1,058	1 012	344	323	462	416	1 101	1 055	2 925	-	-49	-100	5,841	2,706
Undistributed assets											-165	202	-165	202
TOTAL ASSETS	1,058	1 012	344	323	462	416	1 101	1 055	2 925	-	-214	102	5,676	2,908
Liabilities	895	828	254	113	209	178	94	125	663	-	-355	-70	1,760	1,175
Undistributed liabilities											1,804	345	1,804	345
TOTAL LIABILITIES	895	828	254	113	209	178	94	125	663	-	1,449	275	3,564	1,520

CONDENSED INCOME STATEMENT (SEK M)	April – June			January – June			12 months	Full-year
	2012	2011	%	2012	2011	%	July – June	2011
Net sales	1,298	1,142	14	2,369	1,980	20	4,529	4,140
Other operating revenue	43	27	59	68	52	32	113	97
TOTAL REVENUES	1,341	1,169	15	2,437	2,032	20	4,642	4,237
OPERATING EXPENSES								
Goods for resale	-617	-523	18	-1 102	-910	21	-2 058	-1 866
Other external costs	-251	-204	23	-466	-369	26	-882	-786
Personnel expenses	-301	-247	22	-561	-448	25	-1 080	-966
Depreciation of fixed assets	-32	-22	42	-56	-36	58	-103	-83
EBIT	141	173	-19	252	269	-6	518	536
Interest income	4	1	154	5	3	77	10	7
Interest expense	-10	-6	59	-17	-9	78	-29	-21
Other financial items	-2	-1	34	-2	-2	-	0	1
PROFIT AFTER FINANCIAL ITEMS	132	167	-21	238	261	-9	500	523
Tax	-39	-45	-13	-68	-70	-3	-141	-143
NET PROFIT FOR THE PERIOD	93	122	-24	170	191	-11	359	380
NET PROFIT FOR THE PERIOD SPECIFIED AS								
Parent Company's shareholders	91	118	-23	166	184	-10	351	370
Minority owners	2	4	-36	4	7	-34	8	10
Earnings per share before and after dilution, SEK	2.65	3.67		4.95	5.75		10.59	11.39

GROUP COMPREHENSIVE INCOME (SEK M)	April – June		January – June		12 months	Full-year
	2012	2011	2012	2011	July – June	2011
Net profit for the period	93	122	170	191	359	380
Exchange-rate difference from translation of foreign subsidiaries	-6	41	1	41	-24	16
Actuarial gains	-	-	-	-	1	1
COMPREHENSIVE INCOME FOR THE PERIOD	87	163	171	232	336	397
Comprehensive income for the period attributable to						
Parent Company's shareholders	85	159	167	225	329	387
Minority owners	2	4	4	7	7	10

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CONDENSED BALANCE SHEET (SEK M)	30 June 2012	30 June 2011	31 December 2011
ASSETS			
Intangible assets	3,110	1,075	1,116
Tangible fixed assets	287	219	235
Financial fixed assets	80	108	67
Deferred tax assets	2	5	0
Inventories	1,196	822	934
Current receivables	951	628	636
Cash and cash equivalents	50	51	67
TOTAL ASSETS	5,676	2,908	3,054
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	2,112	1,388	1,556
Long-term liabilities	2,191	610	511
Current liabilities	1,373	910	988
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	5,676	2,908	3,054

CONDENSED CASH-FLOW STATEMENT (SEK M)	April – June		January – June		12 months	Full-year
	2012	2011	2012	2011	July – June	2011
Cash flow from operating activities before changes in working capital	111	132	143	194	389	440
Cash flow from changes in working capital *)	9	14	-13	-96	-143	-181
CASH FLOW FROM OPERATING ACTIVITIES	120	146	130	98	246	259
Cash flow from investing activities	-1,403	-71	-1,445	-432	-1,525	-512
Cash flow from financing activities*)	1,220	-65	1,298	310	1,279	246
CASH FLOW FOR THE PERIOD	-63	10	-17	-24	0	-7

*) Compared with the interim report for January – June 2011, SEK 45 M was reclassified between cash flow from operating activities and cash flow from financing activities for the quarter and the six-month period. The reclassification had no impact on the total cash flow for 2011.

CONDENSED CHANGE IN SHAREHOLDERS' EQUITY (SEK M)	January-June	
	2012	2011
SHAREHOLDERS' EQUITY AT THE BEGINNING OF THE PERIOD	1,556	974
Comprehensive income for the period	171	232
Acquired/divested minority shares, net	0	-11
Dividend to shareholders	-274	-274
New share issue	659	467
SHAREHOLDERS' EQUITY AT THE END OF THE PERIOD	2,112	1,388
OF WHICH, NON-CONTROLLING INTERESTS	10	14

QUARTERLY DATA	2012		2011				2010			
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Total revenues, SEK M	1,341	1,096	1,088	1,117	1,169	863	892	839	913	803
EBIT, SEK M	141	111	104	163	173	95	110	141	144	90
Profit after financial items, SEK M	132	106	100	161	167	95	111	140	143	91
Net profit for the period, SEK M	93	77	71	118	122	70	78	100	107	67
EBIT margin, %	11	10	10	15	15	11	12	17	16	11
Earnings per share, SEK	2.65	2.29	2.16	3.48	3.59	2.12	2.52	3.07	3.29	2.08

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KEY RATIOS*)	April – June		January-June		12 months	Full-year
	2012	2011	2012	2011	July – June	2011
Return on shareholders' equity, %	-	-	21.6	32.5	21.6	27.0
Return on total capital, %	-	-	14.8	24.5	14.8	20.1
Return on capital employed, %	-	-	20.2	36.6	20.2	28.8
Equity/assets ratio, %	-	-	37.2	47.7	37.2	50.9
Gross margin, %	52.5	54.2	53.5	54.0	54.6	54.9
EBIT margin, %	10.8	14.8	10.3	13.2	11.2	12.6
Earnings per share, SEK	2.65	3.67	4.95	5.75	10.59	11.39
Shareholders' equity per share, SEK	-	-	58.6	42.3	-	46.9
Number of shares at the end of the period	35,901,487	32,814,605	35,901,487	32,814,605	-	32,814,605
Average number of shares during the period	34,152,254	32,814,605	33,483,429	32,057,912	-	32,436,258
Number of stores in Mekonomen Sweden/of which wholly owned	-	-	144/118	143/112	-	144/114
Number of stores in Mekonomen Norway/of which wholly owned	-	-	51/35	50/34	-	53/36
Number of stores in Mekonomen Denmark/of which wholly owned	-	-	50/42	51/38	-	54/40
Number of stores in Sørensen og Balchen, of which wholly owned	-	-	77/36	76/34	-	77/35
Number of stores in Meca/of which wholly owned	-	-	90/68	-	-	-
Number of stores in Mekonomen Finland/of which wholly owned	-	-	7/4	2/2	-	3/3
Number of stores in Mekonomen Iceland/of which wholly owned	-	-	1/0	1/0	-	1/0
Number of stores in Marinshopen/of which wholly owned	-	-	5/5	1/1	-	1/1
Number of stores in M by Mekonomen/of which wholly owned	-	-	1/1	1/1	-	1/1

*) Key ratios for returns on equity/capital employed/total capital are calculated on a rolling 12 months basis for the period January – June.

AVERAGE NUMBER OF EMPLOYEES	January-June	
	2012	2011
Mekonomen Sweden	830	840
Mekonomen Norway	260	269
Mekonomen Denmark	419	354
Sørensen og Balchen*)	272	91
Meca**)	67	-
Other***)	277	211
GROUP	2,125	1,765

*) The average number of employees in 2011 is calculated for the 11 March – 30 June 2011 period.

**) The average number of employees in 2012 is calculated for the 23 May – 30 June 2012 period.

***) Others comprise Mekonomen AB, Mekonomen Fleet, Speedy, Marinshopen, Mekonomen BilLivet AB, as well as Mekonomen Finland.

Preliminary effects of acquisitions completed in 2012

Mekonomen's acquisition of all shares in Meca Scandinavia was finalised on 23 May 2012. Payment comprised 3,086,882 newly issued shares through a non-cash issue, and SEK 1,351 M in cash. The newly issued shares are valued at a closing price of SEK 213.50 on 22 May 2012. Meca is included in Mekonomen's financial reporting as of the acquisition date 23 May 2012. The total purchase consideration was SEK 2,010 M.

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In addition to Meca, which is recognised separately below, information on corporate acquisitions is provided in aggregate form since each individual acquisition is not deemed to be of such a size as to warrant separate recognition. All other acquisitions were paid for in cash. For further information about other acquisitions, refer also to the section Acquisitions and establishments, page 4.

During the first half of 2012, the acquired companies affected Group net sales by SEK 195 M and EBIT by SEK 30 M, excluding acquisition costs of SEK 12 M. Had Meca had been acquired on 1 January 2012, the impact on the Group's net sales during the first half of the year would have amounted to SEK 811 M and the impact on EBIT would have been SEK 61 M, whereby EBIT for the period according to this calculation would have been charged with planned amortisation of intangible assets related to the acquisition totalling SEK 30 M. The total of other acquisitions would have had an insignificant impact on sales and profit had they been implemented at the beginning of the year.

Acquisition-related costs amounted to SEK 12 M for the six-month period January–June 2012. Total acquisition costs pertaining to Meca, including costs incurred during 2011, amounted to SEK 22 M. These costs are not included in the total purchase consideration in the table below, but were recognised as other costs in the consolidated income statement.

Below is the preliminary acquisition analysis pertaining to acquired operations:

ACQUIRED ASSETS AND LIABILITIES	Meca	Other acquisitions	Total acquisitions
Intangible fixed assets	15	-	15
Tangible fixed assets	46	2	48
Financial fixed assets	7	-	7
Deferred tax assets	23	-	23
Inventories	306	13	319
Current receivables	199	-	199
Cash and cash equivalents	7	-	7
Long-term liabilities	-27	-	-27
Current liabilities	-298	-1	-299
ACQUIRED NET ASSETS	278	14	292
Brands	270	-	270
Customer relations	600	-	600
Goodwill	1,091	17	1,108
Deferred tax liabilities	-229	-	-229
TOTAL IDENTIFIABLE NET ASSETS	2,010	31	2,041
Total purchase price	2,010	31	2,041
- of which, non-cash issue	659	-	659
- of which, cash portion	1,351	31	1,382
Cash and cash equivalents in the acquired companies	7	0	7
IMPACT ON THE GROUP'S CASH AND CASH EQUIVALENTS	1,344	31	1,375

The fair value of the acquired receivables was SEK 199 M.

The brand has an indefinite useful life and the estimated useful life of customer relations, which according to the above amounted to SEK 600 M, is ten years. With respect to estimated useful life and amortisation of other intangible assets, refer to Note 13 of the 2011 Annual Report.

In addition to the control premium included in the acquisition price, the arising goodwill is primarily attributable to the benefits accruing from anticipated synergies, as well as Meca's position and experience in the B2B segment in Sweden and Norway. These benefits have not been recognised separately from goodwill since they do not meet the criteria for recognition of identifiable intangible assets. Annual synergies, as a direct result of the acquisition, are estimated at SEK 80 M as of 2013. Of the goodwill that arose in connection with the acquisitions, SEK 6 M is estimated to be tax deductible.

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Financial reports, Parent Company

CONDENSED INCOME STATEMENT (SEK M)	April – June		January-June		12 months	Full-year
	2012	2011	2012	2011	July – June	2011
Total revenues	71	46	111	90	196	175
Operating expenses	-76	-63	-119	-110	-205	-196
EBIT	-5	-17	-8	-20	-9	-21
Net financial items*)	88	0	88	1	464	377
Profit/loss after financial items	83	-17	80	-19	455	356
PROFIT/LOSS AFTER TAX	84	-12	83	-14	386	290

*) For the second quarter and the first half of 2012 dividend on shares in subsidiaries are included with SEK 93 M (0).

PARENT COMPANY COMPREHENSIVE INCOME (SEK M)	April – June		January-June		12 months	Full-year
	2012	2011	2012	2011	July-June	2011
Net profit/loss for the period	84	-12	83	-14	386	290
COMPREHENSIVE INCOME FOR THE PERIOD	84	-12	83	-14	386	290

CONDENSED BALANCE SHEET (SEK M)	30 June 2012	30 June 2011	31 December 2011
ASSETS			
Fixed assets	3,275	1,189	1,232
Current receivables in Group companies	663	505	690
Other current receivables	96	68	123
Cash and cash equivalents investments	0	0	1
TOTAL ASSETS	4,034	1,762	2,046
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	1,767	985	1,287
Provisions	2	2	2
Untaxed reserves	159	146	159
Long-term liabilities	1,898	557	445
Current liabilities in Group companies	33	25	28
Other current liabilities	175	47	125
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	4,034	1,762	2,046

CONDENSED CHANGE IN SHAREHOLDERS' EQUITY (SEK M)	January-June	
	2012	2011
SHAREHOLDERS' EQUITY AT THE BEGINNING OF THE PERIOD	1,287	794
Comprehensive income for the period	83	-12
Dividend to shareholders	-263	-263
New share issue	659	466
SHAREHOLDERS' EQUITY AT THE END OF THE PERIOD	1,767	985

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Definitions of key data

Return on equity – Profit for the period, excluding minority share, as a percentage of average shareholders' equity excluding minority interest.

Return on total capital - Profit after financial items plus financial expenses as a percentage of average total assets.

Capital employed – Total assets less non-interest-bearing liabilities and provisions including deferred tax.

Return on capital employed – Profit after net financial items plus interest expenses as a percentage of average capital employed.

Equity/assets ratio – Shareholders' equity including minority as a percentage of total assets.

Gross margin – Net sales less costs for goods for resale, as a percentage of net sales.

EBIT margin – EBIT after depreciation/amortization as a percentage of operating profit.

Shareholders' equity per share – Shareholders' equity excluding minority share, in relation to the number of shares at the end of the period.

Earnings per share - Net profit for the period, excluding minority shares, in relation to the average number of shares.

Underlying net sales - Sales adjusted for the number of comparable workdays and currency effects.

Organic growth – Net sales increase adjusted for acquisitions , currency effect and the number of workdays.

Net debt - Interest-bearing liabilities less cash and cash equivalents and short-term investments.

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