

Interim report January – September 2013

SUMMARY OF THE THIRD QUARTER, 1 July – 30 September 2013

- Revenues for the quarter declined 1 per cent to SEK 1,417 M (1,433). Adjusted for currency effects and calculated on a comparable number of workdays, revenues declined 1 per cent.
- EBITA rose 1 per cent to SEK 178 M (176) and the EBITA margin increased to 13 per cent (12).
- EBIT declined 2 per cent to SEK 149 M (151) and the EBIT margin amounted to 10 per cent (11).
- Profit after financial items rose 5 per cent to SEK 133 M (127).
- Earnings per share before and after dilution increased to SEK 2.67 (2.46).
- Net debt at the end of the period was SEK 1,815 M (2,038), compared with SEK 1,875 M at the end of the year.
- Cash flow from operating activities amounted to SEK 108 M (165).

SUMMARY OF THE GROUP'S EARNINGS TREND	July - September			January – September			12 months	Full-year
	2013	2012	Change %	2013	2012	Change %	Oct - Sep	2012
Revenues, SEK M	1,417	1,433	-1	4,414	3,870	14	5,969	5,426
EBITA, SEK M	178	176	1	502	450	12	654	602
EBIT, SEK M	149	151	-2	417	403	3	542	528
Profit after financial items, SEK M	133	127	5	380	365	4	489	474
Profit after tax, SEK M	99	91	10	284	261	9	406	382
Earnings per share, SEK	2.67	2.46		7.68	7.42		11.04	10.80
EBITA margin, %	13	12		11	12		11	11
EBIT margin, %	10	11		9	10		9	10

Mekonomen makes CarLife easier through a wide and easily accessible range of inexpensive and innovative solutions and products for consumers and companies. We are the leading automotive spare-parts chain in the Nordic region, with proprietary wholesale operations, more than 400 stores and 2,300 workshops operating under the Mekonomen brands.

Increased market shares in the car service market

- * EBITA rose 1 per cent (one)
- * EBIT declined 2 per cent and revenues declined 1 per cent (one)
- * Mekonomen takes shares in the car service market
- * Increased EBIT in Sørensen og Balchen and Mekonomen Nordic
- * Entered into co-operation agreement with Inter Cars, after the end of the reporting period
- * Purchasing company established in Hong Kong, after the end of the reporting period

Revenues for the Mekonomen Group for the third quarter of 2013 declined 1 per cent (one) to SEK 1,417 M (1,433) and comparable sales rose 2 per cent. EBITA rose 1 per cent (one) to SEK 178 M (176) and profit after financial items increased to SEK 133 M (127). EBIT declined 2 per cent to SEK 149 M (151). Adjusted for currency effects and calculated on the comparable number of workdays, revenues declined 1 per cent (one). The third quarter of 2013 has been negatively impacted by SEK 15 M compared with the corresponding period in 2012, partly due to currency effects.

EBIT for Sørensen og Balchen during the period rose to SEK 22 M (19) and the EBIT margin increased to 13 per cent (10). EBITA increased to 27 SEK M (24) and the EBITA margin rose to 15 per cent (13). Underlying net sales declined 1 per cent (one). Consolidation of the store network impacted sales.

EBIT for Mekonomen Nordic rose to SEK 97 M (95) during the third quarter and the EBIT margin was 14 (14) per cent. EBITA increased to SEK 104 M (97) and the EBITA margin rose to 15 (14) per cent. Underlying sales rose 1 per cent (one). Mekonomen Sweden's EBIT margin was 17 per cent (17) and Mekonomen Norway's EBIT margin rose to 17 per cent (14).

EBIT for MECA, including Denmark, amounted to SEK 29 M (45) during the period and EBITA was SEK 47 M (62). EBIT for the third quarter of 2012 was positively impacted by non-recurring items. Underlying earnings for MECA is stable. EBIT in Denmark declined to a loss of SEK 9 M (loss: 7). Repositioning with a strong focus on workshop continues, as well as closure and restructuring of consumer entities.

During the first nine months of the year, we consolidated the store network and reduced the number of stores by 17.

Our workshop chains take market shares and our investments lay the foundation for continued growth. Spare parts under our proprietary brand ProMeister were well received by the market during the quarter. The positive trend for our affiliated workshops, including our proprietary workshops, continued. Sales to our affiliated Mekonomen Service Centres and our affiliated MECA Car Service workshops rose 15 per cent in local currency, compared with the third quarter of 2012. The number of concept-affiliated and proprietary workshops are planned to be increased to meet the growing demand for our service and our offering.

We see no major change in the total Nordic market in the fourth quarter compared with the third quarter. Growth differs between the Nordic countries. Most positive right now is the Swedish market.

After the end of the reporting period, we have entered into a co-operation agreement with Inter Cars, which holds a leading position in Eastern Europe. The co-operation pertains to purchasing and logistics from Asia, and a common product testing centre and thanks to this we can further broaden our range and reach new customer groups. A joint company will be established in Warsaw.

A purchasing company in Hong Kong has been established after the end of the reporting period to bolster our purchasing power.

Investments in increased growth have been a focus during the quarter and will also continue to be important going forward. The Mekonomen Group stands for innovation in our industry and is one of the leading companies in Europe.

Håkan Lundstedt
President and CEO

Mekonomen makes CarLife easier through a wide and easily accessible range of inexpensive and innovative solutions and products for consumers and companies. We are the leading automotive spare-parts chain in the Nordic region, with proprietary wholesale operations, more than 400 stores and 2,300 workshops operating under the Mekonomen brands.

Consolidated sales and earnings

REVENUES

1 July – 30 September

Adjusted for currency effects, revenues remained unchanged during the quarter. Prior to adjustment, revenues declined 1 per cent to SEK 1,417 M (1,433). The number of workdays was one day more in Sweden, Norway and Denmark during the quarter, compared with the year-earlier period. Calculated on comparable workdays and adjusted for currency effects, the decline was 1 per cent. Comparable sales rose 2 per cent.

1 January – 30 September

Adjusted for currency effects, revenues increased 16 per cent for the period. Prior to adjustment, revenues increased 14 per cent to SEK 4,414 M (3,870). The number of workdays remained unchanged in Sweden; two days fewer in Norway, and one day fewer in Denmark. Calculated on comparable workdays and adjusted for currency effects, the increase was 16 per cent. Comparable sales rose 1 per cent in the nine-month period. Excluding the acquisition of MECA (MECA excluding Denmark), adjusted for currency effects and calculated on comparable workdays, revenues remained basically unchanged.

EBITA

1 July – 30 September

EBITA increased to SEK 178 M (176) for the quarter and the EBITA margin rose to 13 per cent (12). Earnings were negatively impacted by non-recurring effects of SEK 1 M (0) in Denmark. Furthermore, EBITA was charged with negative currency effects totalling SEK 2 M (pos: 5) for the period.

1 January – 30 September

EBITA increased to SEK 502 M (450) for the period and the EBITA margin was 11 per cent (12). Earnings were negatively impacted by non-recurring effects of SEK 11 M (0) in Denmark. Furthermore, EBITA was charged with negative currency effects totalling SEK 6 M (pos: 12) for the period.

EBIT

1 July – 30 September

EBIT amounted to SEK 149 M (151) for the quarter and the EBIT margin was 10 per cent (11). EBIT was negatively impacted by non-recurring effects in Denmark and negative currency effects with the same amounts as those presented under the EBITA heading above.

1 January – 30 September

EBIT amounted to SEK 417 M (403) for the period and the EBIT margin was 9 per cent (10). EBIT was negatively impacted by non-recurring effects in Denmark and negative currency effects with the same amounts as those presented under the EBITA heading above.

PROFIT AFTER FINANCIAL ITEMS

Profit after financial items increased to SEK 133 M (127) for the third quarter and to SEK 380 M (365) for the nine-month period. Net interest expense for the third quarter was SEK 12 M (expense: 17) and other financial items amounted to an expense of SEK 3 M (expense: 8). Net interest expense was SEK 35 M (expense: 28) for the nine-month period and other financial items amounted to an expense of SEK 2 M (expense: 10).

PROFIT FOR THE PERIOD

Net profit increased to SEK 99 M (91) for the third quarter and to SEK 284 M (261) for the nine-month period, and was positively impacted by the lower corporate tax rate in Sweden. Earnings per share, both before and after dilution, rose to SEK 2.67 (2.46) for the third quarter and to SEK 7.68 (7.42) for the nine-month period.

Mekonomen makes CarLife easier through a wide and easily accessible range of inexpensive and innovative solutions and products for consumers and companies. We are the leading automotive spare-parts chain in the Nordic region, with proprietary wholesale operations, more than 400 stores and 2,300 workshops operating under the Mekonomen brands.

Financial position and cash flow

Cash flow from operating activities amounted to SEK 108 M (165) for the third quarter and to SEK 384 M (295) for the period. Tax paid amounted to SEK 31 M (29) for the third quarter and to SEK 127 M (181) for the period. Cash and cash equivalents were SEK 162 M on 30 September 2013, compared with SEK 241 M on 31 December 2012. The equity/assets ratio was 41 per cent (38). Interest-bearing liabilities amounted to SEK 1,976 M (2,164), compared with SEK 2,116 M at year-end, of which the current portion was SEK 259 M (301), and SEK 296 M on 31 December 2012. Interest-bearing current liabilities declined SEK 60 M for the period due to changes in the amortisation structure after refinancing. Interest-bearing long-term liabilities increased by the corresponding amount. Excluding pensions, leasing and similar commitments, net debt amounted to SEK 1,794 M (2,018) at the end of the period, down SEK 89 M since the second quarter and SEK 55 M since year-end. Including pensions, leasing and similar commitments, net debt amounted to SEK 1,815 M (2,038) at the end of the period, down SEK 91 M since the second quarter and SEK 60 M since year-end. A dividend of SEK 259 M was paid during the second quarter which was offset by the positive cash flow from operations. Loans were amortised by SEK 49 M in the third quarter and SEK 152 M during the nine-month period. Refinancing totalling SEK 700 M with a five-year maturity term was signed during the second quarter.

Investments

Investments in fixed assets amounted to SEK 8 M (20) during the third quarter and SEK 50 M (77) during the nine-month period. Depreciation of tangible fixed assets amounted to SEK 20 M (20) for the third quarter and SEK 60 M (54) for the nine-month period. Company and business acquisitions amounted to SEK 6 M (2) during the third quarter and to SEK 18 M (2,043) for the nine-month period. During the nine-month period, acquired assets totalled SEK 4 M (617) and acquired liabilities SEK 0 M (326). In addition to goodwill, which amounted to SEK 4 M (1,109), intangible surplus values of SEK 0 M (270) were identified pertaining to brands and SEK 2 M (600) pertaining to customer relations. Deferred tax liabilities attributable to acquired intangible fixed assets amounted to SEK 0 M (229). Acquired minority shares amounted to SEK 8 M (2).

Acquisitions and establishments

Third quarter

In Sweden, Mekonomen Nordic acquired the remaining minority shares in the store in Ljusdal.

Earlier in the year

Earlier in the year, MECA acquired a partnership store in Haninge, Stockholm and a store in Gothenburg.

In Sweden, Mekonomen Nordic acquired minority shares in three stores and the remaining shares, within its controlling influence, in Meko Fleet System AB. Furthermore, the stores in Karlskrona and Ystad transferred from proprietary to partnership, stores in Högsbo and Sisjön merged into one store and a new store was established in Båstad.

The impact of these acquisitions on consolidated sales and earnings was marginal.

Number of stores and workshops

The total number of stores in the chains at the end of the period was 404 (424), of which 289 (305) were proprietary stores. The number of affiliated workshops increased to 2,300 (2,259), of which Mekonomen Service Centres rose to 1,093 (1,065) and MekoPartner amounted to 398 (419), BilXtra rose to 234 (225), Speedy amounted to 11 (11) and MECA Car Service rose to 564 (539). Mekonomen Service Centres and MekoPartner are included in Mekonomen Nordic and MECA Denmark.

Employees

The number of employees at the end of the period was 2,554 (2,612) and the average number of employees during the period was 2,565 (2,256).

Mekonomen makes CarLife easier through a wide and easily accessible range of inexpensive and innovative solutions and products for consumers and companies. We are the leading automotive spare-parts chain in the Nordic region, with proprietary wholesale operations, more than 400 stores and 2,300 workshops operating under the Mekonomen brands.

Performance by segment

MECA

EARNINGS TREND	July - September			January – September			12 months	Full-year
	2013	2012	Change %	2013	2012 ¹⁾	Change %	Oct - Sep	2012 ¹⁾
Net sales (external), SEK M	529	539	-2	1,676	1,090	54	2,288	1,702
EBITA, SEK M	47	62	-24	136	108	26	177	150
EBIT, SEK M	29	45	-36	83	85	-2	106	109
EBITA margin, %	9	11		8	10		8	9
EBIT margin, %	6	8		5	8		5	6
Number of stores/of which proprietary				133/107	140/110	-	-	138/108
Number of Mekonomen Service Centres				211	214	-	-	219
Number of MekoPartners				200	211	-	-	216
Number of MECA Car Service workshops				564	539	-	-	546

¹⁾ A significant portion of the MECA segment was acquired on 23 May 2012 and, as such, was only included in the period 23 May 2012 – 30 September 2012 and, respectively, for the period 23 May 2012 – 31 December 2012 for the full-year 2012. Comparative figures for MECA Denmark include the full-year 2012. A redistribution from “Other” to the MECA segment occurred during the first quarter of 2013, following a review of intra-Group goods transactions as a result of the change in segment division. The comparative figures have been recalculated, which had a positive impact of SEK 8 M on MECA’s EBIT for the third quarter of 2012, SEK 13 M for the January – September period of 2012 and SEK 17 M for the full-year 2012, and the reverse effect on EBIT for “Other”. The redistribution did not have any impact on earnings at Group level.

The integration project performed well and most of the synergies were realised. Furthermore, earnings in the third quarter were charged with amortisation of intangible fixed assets totalling SEK 15 M (15) identified in connection with the acquisition, and SEK 45 M (20) for the nine-month period. Net sales for MECA, excluding Denmark, were SEK 381 M (381) for the third quarter. Future invoicing is now net accounted in MECA, which should have reduced net sales for the full-year 2012 by SEK 34 M. For MECA Denmark, EBIT amounted to a loss of SEK 9 M (loss:7) for the third quarter, and a loss of SEK 35 M (profit: 2) for the nine-month period, net sales amounted to SEK 148 M (157) for the third quarter and SEK 478 M (535) for the nine-month period and the EBIT margin was a negative 6 per cent (neg: 4) for the third quarter and a negative 7 per cent (0) for the nine-month period. Underlying net sales in MECA Denmark declined 9 per cent for the third quarter and 8 per cent for the nine-month period. MECA Denmark’s earnings were negatively impacted by lower sales compared with the year-earlier period. MECA Denmark’s earnings were charged with non-recurring effects of SEK 1 M (0) in the third quarter, and SEK 11 M (0) in the nine-month period.

MEKONOMEN NORDIC

EARNINGS TREND	July - September			January – September			12 months	Full-year
	2013	2012	Change %	2013	2012	Change %	Oct - Sep	2012
Net sales (external), SEK M	683	675	1	2,102	2,108	0	2,824	2,830
EBITA, SEK M	104	97	7	303	301	1	392	390
EBIT, SEK M	97	95	2	285	292	-2	369	376
EBITA margin, %	15	14		14	14		14	13
EBIT margin, %	14	14		13	13		13	13
Number of stores/of which proprietary				194/147	206/158	-	-	204/156
Number of Mekonomen Service Centres				882	851	-	-	875
Number of MekoPartners				198	208	-	-	210
Number of Speedy workshops				11	11	-	-	11

The underlying sales rose 1 (one) per cent in both the third quarter and the nine-month period. The number of workdays was one day more compared with the third quarter in the preceding year, but remained unchanged in Sweden and were two days fewer in Norway compared with the nine-month period in the preceding year. The

Mekonomen makes CarLife easier through a wide and easily accessible range of inexpensive and innovative solutions and products for consumers and companies. We are the leading automotive spare-parts chain in the Nordic region, with proprietary wholesale operations, more than 400 stores and 2,300 workshops operating under the Mekonomen brands.

currency effect against the NOK was negative in both the third quarter and the nine-month period. EBIT for Mekonomen Sweden was SEK 73 M (72) for the third quarter and SEK 218 M (214) for the nine-month period. Mekonomen Sweden's net sales were SEK 422 M (412) for the third quarter and SEK 1,294 M (1,282) for the nine-month period. EBIT for Mekonomen Norway was SEK 33 M (28) for the third quarter and SEK 99 M (95) for the nine-month period. Mekonomen Norway's net sales were SEK 187 M (195) for the third quarter and SEK 586 M (616) for the nine-month period. Earnings in the third quarter were positively impacted by cost-efficiency measures, including consolidation of the store network.

SØRENSEN OG BALCHEN

EARNINGS TREND	July - September			January – September			12 months	Full-year
	2013	2012	Change %	2013	2012	Change %	Oct - Sep	2012
Net sales (external), SEK M	174	180	-3	542	560	-3	730	748
EBITA, SEK M	27	24	13	76	71	7	102	97
EBIT, SEK M	22	19	16	62	57	9	83	78
EBITA margin, %	15	13		14	13		14	13
EBIT margin, %	13	10		11	10		11	10
Number of stores/of which proprietary				76/34	77/36			78/36
Number of BilXtra workshops				234	225			225

Prior to the amortisation of intangible fixed assets, profit for the third quarter of 2013 totalled SEK 27 M (24). Underlying net sales fell 1 per cent in the third quarter and rose 1 per cent in the nine-month period. Consolidation of the store network had a negative impact on sales. During the 12-month period, from the fourth quarter of 2012 to the third quarter of 2013, Sørensen og Balchen reported an EBIT of SEK 83 M. Prior to the planned amortisation of intangible fixed assets, profit for the year-on-year period was SEK 102 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 following table below shows the distribution of the number of workdays per quarter and country.

	Quarter 1			Quarter 2			Quarter 3			Quarter 4			Full-year		
	2013	2012	2011	2013	2012	2011	2013	2012	2011	2013	2012	2011	2013	2012	2011
Sweden	62	64	63	60	59	60	66	65	66	62	62	64	250	250	253
Norway	61	65	64	60	59	59	66	65	66	62	62	64	249	251	253
Denmark	61	65	64	60	58	59	66	65	66	62	62	64	249	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 2012 Annual Report and found that no significant risks have occurred since then. Refer to the 2012 Annual Report for a complete report on the risks that affect the Group.

Parent Company and “Other”

The Parent Company's operations comprise mainly Group Management and finance management. The M by Mekonomen operation was internally incorporated in the second quarter and, in future, will be included in “Other.” Up until the third quarter of 2012, Mekonomen AB included administrative functions such as IT, product division, etc., which are now included in the Mekonomen Norden AB subsidiary. Profit after financial items for the Parent Company amounted to a loss of SEK 17 M (loss: 20) for the quarter and a loss of SEK 37 M (loss: 33) for the nine-month period, excluding dividends of SEK 114 M (0) from subsidiaries for the quarter and SEK 114 M (93) for the nine-month period. The average number of employees for the nine-month period was 13

Mekonomen makes CarLife easier through a wide and easily accessible range of inexpensive and innovative solutions and products for consumers and companies. We are the leading automotive spare-parts chain in the Nordic region, with proprietary wholesale operations, more than 400 stores and 2,300 workshops operating under the Mekonomen brands.

(75). During the nine-month period, Mekonomen AB sold goods and services to Group companies for a total of SEK 33 M (77).

“Other” comprises Mekonomen AB, M by Mekonomen, as well as Group-wide functions and eliminations. The average number of employees in M by Mekonomen for the nine-month period was 4 (0). EBIT for “Other” amounted to SEK 1 M (loss: 8) for the third quarter and a loss of SEK 11 M (loss: 32) for the nine-month period. A redistribution from “Other” to the MECA segment occurred during the first quarter of 2013, following a review of intra-Group goods transactions as a result of the change in segment division. The comparative figures have been recalculated, which had a negative impact of SEK 8 M on EBIT for “Other” in the third quarter of 2012, a negative impact of SEK 13 M in the January-September period of 2012 and a negative impact of SEK 17 M for the full-year 2012, and had the reverse impact on EBIT for the MECA segment. The redistribution did not have any impact on earnings at Group level.

Events after the end of the period

After the end of the reporting period, Mekonomen Group established a purchasing company in Hong Kong. The Mekonomen Group also established a co-operation agreement with Inter Cars in Poland pertaining to purchasing and logistics from Asia, and a common product testing centre. No other significant events occurred after the end of the reporting period.

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 measurement methods were applied as in the most recent Annual Report.

Hedge accounting

The Group has signed derivative instruments aimed at securing interest payments attributable to loans at floating interest rates (cash-flow hedging). The Group applies hedge accounting for these derivative agreements. The derivatives are recognised at fair value in the balance sheet. Value changes are recognised in Other comprehensive income to the extent they are effective and accumulated as a separate component in shareholders’ equity until the hedged item impacts earnings. The portion of unrealised value changes that is ineffective is recognised in profit and loss.

IAS 1 Presentation of Financial Statements

From 2013, an amendment in IAS 1 was introduced entailing that the presentation of Other comprehensive income has been divided into items that may later be allocated to profit or loss, and items that will not be allocated to profit or loss. Mekonomen’s application of the new changes in IAS 1 is presented in the Group’s statement of comprehensive income.

IFRS 13 Fair Value Measurement

In 2013, a new standard, IFRS 13 Fair Value Measurement, came into effect. This is a new standard for the uniform measurement of fair value, as well as amended disclosure requirements. In addition to expanded disclosure requirements, the new standard has not resulted in any significant monetary effects on the Group.

No other new standards or interpretations that became effective on 1 January 2013 have had any effect on Mekonomen’s financial report for the interim period.

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
Year-end report	January – December 2013	13 February 2014
Interim report	January – March 2014	8 May 2014
Interim report	January – June 2014	28 August 2014
Interim report	January – September 2014	12 November 2014
Year-end report	January – December 2014	12 February 2015

Mekonomen makes CarLife easier through a wide and easily accessible range of inexpensive and innovative solutions and products for consumers and companies. We are the leading automotive spare-parts chain in the Nordic region, with proprietary wholesale operations, more than 400 stores and 2,300 workshops operating under the Mekonomen brands.

Annual General Meeting

The 2013 Annual General Meeting will be held on 8 April 2014 in Stockholm. The Annual Report will be published and available on Mekonomen's website not later than 18 March 2014.

Nomination Committee

In accordance with a resolution at the Annual General Meeting on 16 April 2013, Mekonomen has established a Nomination Committee. The Nomination Committee will prepare and submit proposals to the Annual General Meeting on 8 April 2014 for the election of the Chairman of the Annual General Meeting, the number of Board members and deputy members, the election of the Chairman of the Board and other Board members, Board fees, any remuneration for committee work, election of and fees for auditors, as well as guidelines for appointing the Nomination Committee.

Prior to the 2014 Annual General Meeting, the Nomination Committee consists of Alexandra Mörner representing the Axel Johnson AB Group, Anna Ohlsson-Leijon representing SEB Funds, Arne Lööv representing the Fourth Swedish National Pension Fund, and Leif Törnvall representing Alecta. The Nomination Committee elected Alexandra Mörner as its Chairman. Mekonomen's Chairman, Fredrik Persson, has been co-opted to the Nomination Committee.

Stockholm, 7 November 2013
Mekonomen AB (publ), Corp. Reg. No: 556392-1971

Håkan Lundstedt
President and CEO

For further information, please contact:
Håkan Lundstedt, President and CEO, Mekonomen AB, Tel: +46 (0)8-464 00 00
Per Hedblom, CFO, Mekonomen AB, Tel: +46 (0)8-464 00 00
Gunilla Spongh, Head of International Business, Mekonomen AB, Tel: +46 (0)8-464 00 00

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 7 November 2013.

Mekonomen makes CarLife easier through a wide and easily accessible range of inexpensive and innovative solutions and products for consumers and companies. We are the leading automotive spare-parts chain in the Nordic region, with proprietary wholesale operations, more than 400 stores and 2,300 workshops operating under the Mekonomen brands.

Auditor's Review Report

Introduction

We have reviewed the interim report for Mekonomen AB (publ) for the period January 1 - September 30, 2013. The Board of Directors and the President are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the Standard on Review Engagements (SÖG) 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 focus and is substantially less in scope than an audit conducted in accordance with ISA 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 interim report is not, in all material respects, prepared for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm, 7 November 2013

Deloitte AB

Thomas Strömberg
Authorized Public Accountant

Mekonomen makes CarLife easier through a wide and easily accessible range of inexpensive and innovative solutions and products for consumers and companies. We are the leading automotive spare-parts chain in the Nordic region, with proprietary wholesale operations, more than 400 stores and 2,300 workshops operating under the Mekonomen brands.

Consolidated financial reports

QUARTERLY DATA PER OPERATING SEGMENT	2013			2012					2011				
	Q3	Q2	Q1	Full-year	Q4	Q3	Q2	Q1	Full-year	Q4	Q3	Q2	Q1
NET SALES, SEK M ¹⁾													
MECA ²⁾	529	593	554	1,702	612	539	360	191	759	190	187	195	187
Mekonomen Nordic ³⁾	683	773	646	2,830	721	675	741	692	2,766	703	707	744	611
Sørensen og Balchen	174	195	174	748	188	180	194	186	603	176	190	199	39
Other ⁴⁾	4	3	1	12	3	6	3	1	13	5	2	4	2
GROUP	1,390	1,564	1,375	5,292	1,524	1,400	1,298	1,070	4,140	1,074	1,086	1,142	838
EBITA, SEK M													
MECA ²⁾	47	51	38	150	41	62	35	12	54	5	15	17	16
Mekonomen Nordic ³⁾	104	119	80	390	88	97	107	97	448	104	122	129	93
Sørensen og Balchen	27	30	19	96	25	24	31	16	102	29	30	41	2
Other ⁴⁾	-	-5	-8	-35	-3	-8	-18	-6	-43	-27	4	-7	-14
GROUP	178	195	129	602	151	176	155	119	559	112	170	180	97
EBIT, SEK M													
MECA ²⁾	29	33	21	109	24	45	29	12	53	5	15	17	16
Mekonomen Nordic ³⁾	97	112	75	376	84	95	103	94	438	101	119	126	91
Sørensen og Balchen	22	25	15	78	20	19	27	11	88	25	25	37	2
Other ⁴⁾	1	-4	-8	-35	-3	-8	-18	-6	-43	-27	4	-7	-14
GROUP	149	166	103	528	125	151	141	111	536	104	163	173	95
INVESTMENTS, SEK M ⁵⁾													
MECA ²⁾	4	12	5	31	12	8	7	3	27	16	5	5	1
Mekonomen Nordic ³⁾	4	13	9	87	31	12	26	18	102	37	9	31	25
Sørensen og Balchen	-	1	1	4	2	-	1	1	4	-	2	1	1
Other ⁴⁾	-	1	0	-	-	-	-	-	-	-	-	-	-
GROUP	8	27	15	122	45	20	34	23	134	53	16	37	27
EBITA MARGIN, %													
MECA ²⁾	9	9	7	9	7	11	9	6	7	2	8	9	9
Mekonomen Nordic ³⁾	15	15	12	13	12	14	14	13	16	14	17	17	15
Sørensen og Balchen	15	15	11	13	13	13	16	9	17	17	16	21	4
GROUP	13	12	9	11	10	12	12	11	13	10	15	15	11
EBIT MARGIN, %													
MECA ²⁾	6	6	4	6	4	8	8	6	7	3	8	9	9

Mekonomen makes CarLife easier through a wide and easily accessible range of inexpensive and innovative solutions and products for consumers and companies. We are the leading automotive spare-parts chain in the Nordic region, with proprietary wholesale operations, more than 400 stores and 2,300 workshops operating under the Mekonomen brands.

Mekonomen Nordic ³⁾	14	14	11	13	12	14	13	13	16	14	16	17	15
Sørensen og Balchen	13	13	8	10	11	10	14	6	15	14	13	18	4
GROUP	10	10	7	10	8	11	11	10	13	10	15	15	11

¹⁾ Net sales for each segment are from external customers.

²⁾ A significant portion of the MECA segment was acquired on 23 May 2012 and, as such, was only included in the period 23 May 2012 – 30 September 2012 and, respectively, for the period 23 May 2012 – 31 December 2012 for the full-year 2012. The comparative figures for 2011 cannot be provided since the acquisition occurred on 23 May 2012 and was thus not included in 2011. The comparative figures for MECA Denmark, the operations in Denmark, include the full-year 2011-2012. A redistribution from "Other" to the MECA segment occurred during the first quarter of 2013, following a review of intra-Group goods transactions as a result of the change in segment division. The comparative figures have been recalculated, which had positive impacts of SEK 8 M on MECA's EBIT for the third quarter of 2012, SEK 13 M for the January-September period in 2012 and SEK 17 M for the full-year 2012, as well as negative impacts of SEK 3 M for the third quarter of 2011, SEK 13 M for the January-September period in 2011, and SEK 10 M for the full-year 2011, and the reverse effect on EBIT in the "Other" segment. The redistribution did not have any impact on earnings at Group level.

³⁾ Mekonomen Nordic includes Mekonomen Sweden, Mekonomen Norway, Mekonomen Fleet, Speedy, Marinshopen, Mekonomen Finland, Mekonomen BilLivet, Mekonomen Services (car glass, insurances, tyre storage), as well as Mekonomen Norden AB.

⁴⁾ "Other" comprises Mekonomen AB, M by Mekonomen, as well as Group-wide functions and eliminations. Mekonomen AB's operations mainly comprise Group Management and finance management. The comparative figures for 2011-2012 have been recalculated between "Other" and the MECA segment according to note ²⁾ above.

⁵⁾ Excluding company and business acquisitions.

CONDENSED INCOME STATEMENT (SEK M)	July - September			January – September			12 months	Full-year
	2013	2012	%	2013	2012	%	Oct-Sep	2012
Net sales	1,390	1,400	-1	4,329	3,768	15	5,853	5,292
Other operating revenue	27	34	-19	85	102	-16	117	134
TOTAL REVENUES	1,417	1,433	-1	4,414	3,870	14	5,969	5,426
OPERATING EXPENSES								
Goods for resale	-622	-636	-2	-1,991	-1,738	15	-2,728	-2,475
Other external costs	-283	-283	0	-872	-748	16	-1,183	-1,060
Personnel expenses	-314	-318	-1	-989	-880	12	-1,325	-1,216
Depreciation of tangible fixed assets	-20	-20	0	-60	-54	11	-79	-73
Amortisation of intangible fixed assets	-29	-25	16	-85	-47	81	-112	-74
EBIT	149	151	-2	417	403	3	542	528
Interest income	2	2	46	7	7	-5	8	8
Interest expense	-14	-18	-22	-42	-35	19	-58	-51
Other financial items	-3	-8	-56	-2	-10	-84	-3	-11
PROFIT/LOSS AFTER FINANCIAL ITEMS	133	127	5	380	365	4	489	474
Tax	-34	-36	-6	-96	-105	-9	-84	-92
NET PROFIT FOR THE PERIOD	99	91	10	284	261	9	406	382
NET PROFIT FOR THE PERIOD SPECIFIED AS								
Parent Company's shareholders	96	89	8	276	254	8	397	375
Minority owners	3	2	71	8	7	29	9	7
EBITA, SEK M	178	176	1	502	450	12	654	602
Earnings per share before and after dilution, SEK	2.67	2.46		7.68	7.42		11.04	10.80

Mekonomen makes CarLife easier through a wide and easily accessible range of inexpensive and innovative solutions and products for consumers and companies. We are the leading automotive spare-parts chain in the Nordic region, with proprietary wholesale operations, more than 400 stores and 2,300 workshops operating under the Mekonomen brands.

GROUP COMPREHENSIVE INCOME (SEK M)	July - September		January – September		12 months	Full-year
	2013	2012	2013	2012	Oct - Sep	2012
Net profit for the period	99	91	284	261	406	382
OTHER COMPREHENSIVE INCOME						
<i>Components that will not be reclassified as earnings for the year:</i>						
Actuarial gains and losses	-	-	-	-	-6	-6
<i>Components that may later be reclassified as earnings for the year:</i>						
Exchange-rate differences from translation of foreign subsidiaries	-54	-25	-119	-24	-91	4
Cash-flow hedging ¹⁾	-1	-	2	-	2	-
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, net after tax	-55	-25	-117	-24	-95	-2
COMPREHENSIVE INCOME FOR THE PERIOD	44	66	167	237	310	380
Comprehensive income for the period attributable to:						
Parent Company's shareholders	41	64	159	231	301	373
Minority owners	3	2	8	6	9	7

¹⁾ Holding of financial fixed-income derivatives for hedging purposes, valued according to level 2 defined in IFRS 13.

CONDENSED BALANCE SHEET (SEK M)	30 September 2013	30 September 2012	31 December 2012
ASSETS			
Intangible fixed assets	2,961	3,082	3,086
Tangible fixed assets	256	277	287
Financial fixed assets ^{1) 2)}	80	77	94
Deferred tax assets	22	3	-
Goods for resale	1,137	1,194	1,203
Current receivables	818	924	797
Cash and cash equivalents	162	126	241
TOTAL ASSETS	5,436	5,683	5,708
SHAREHOLDERS' EQUITY AND LIABILITIES ²⁾			
Shareholders' equity	2,217	2,175	2,316
Long-term liabilities	1,942	2,138	2,059
Current liabilities	1,277	1,370	1,333
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	5,436	5,683	5,708

¹⁾ Including fixed-income derivatives for hedging purposes with a positive value of SEK 3 M (0).

²⁾ The carrying amounts of financial assets and liabilities are measured at either fair value or a reasonable approximation of fair value.

CONDENSED CASH-FLOW STATEMENT (SEK M)	July - September		January – September		12 months	Full-year
	2013	2012	2013	2012	Oct - Sep	2012
Cash flow from operating activities before changes in working capital	149	138	396	281	532	417
Cash flow from changes in working capital	-41	27	-12	14	75	101
CASH FLOW FROM OPERATING ACTIVITIES	108	165	384	295	607	518
Cash flow from investing activities	-14	-18	-52	-1,462	-100	-1,510
Cash flow from financing activities	-80	-69	-392	1,228	-455	1,165
CASH FLOW FOR THE PERIOD	14	78	-60	61	52	173

Mekonomen makes CarLife easier through a wide and easily accessible range of inexpensive and innovative solutions and products for consumers and companies. We are the leading automotive spare-parts chain in the Nordic region, with proprietary wholesale operations, more than 400 stores and 2,300 workshops operating under the Mekonomen brands.

CONDENSED CHANGE IN SHAREHOLDERS' EQUITY (SEK M)	January – September	
	2013	2012
SHAREHOLDERS' EQUITY AT THE BEGINNING OF THE PERIOD	2,316	1,556
Comprehensive income for the period	167	237
Acquired/divested minority shares, net	-7	-2
Dividend to shareholders	-259	-275
New share issue	-	659
SHAREHOLDERS' EQUITY AT THE END OF THE PERIOD	2,217	2,175
OF WHICH, NON-CONTROLLING INTERESTS	13	11

QUARTERLY DATA	2013			2012				2011				2010			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Total revenues, SEK M	1,417	1,591	1,404	1,556	1,433	1,341	1,096	1,088	1,117	1,169	863	892	839	913	803
EBITA, SEK M	178	195	129	151	176	155	119	112	170	180	97	112	142	145	91
EBIT, SEK M	149	166	103	125	151	141	111	104	163	173	95	110	141	144	90
Profit after financial items, SEK M	133	160	87	109	127	132	106	100	161	167	95	111	140	143	91
Profit for the period, SEK M	99	120	65	121	91	93	77	71	118	122	70	78	100	107	67
EBITA margin, %	13	12	9	10	12	12	11	10	15	15	11	12	17	16	11
EBIT margin, %	10	10	7	8	11	11	10	10	15	15	11	12	17	16	11
Earnings per share, SEK	2.67	3.24	1.77	3.36	2.46	2.65	2.29	2.16	3.48	3.59	2.12	2.52	3.07	3.29	2.08
Shareholders' equity per share, SEK	61.4	60.4	64.0	64.2	60.3	58.6	49.4	46.9	46.1	42.9	45.1	30.9	28.4	26.1	30.1

KEY FIGURES	July - September		January – September ¹⁾		12 months	Full-year
	2013	2012	2013	2012	Oct - Sep	2012
Return on equity, %	-	-	17.8	18.2	17.8	19.3
Return on total capital, %	-	-	9.8	12.3	9.8	11.3
Return on capital employed, %	-	-	12.7	16.5	12.7	14.8
Equity/assets ratio, %	-	-	40.8	38.3	40.8	40.6
Gross margin, % ²⁾	55.2	54.6	54.0	53.9	53.4	53.2
EBITA margin, %	12.6	12.3	11.4	11.6	11.0	11.1
EBIT margin, %	10.5	10.6	9.4	10.4	9.1	9.7
Earnings per share, SEK	2.67	2.46	7.68	7.42	11.04	10.80
Shareholders' equity per share, SEK	-	-	61.4	60.3	61.4	64.2
Cash flow per share, SEK	-	-	10.7	8.6	16.9	14.9
Number of shares at the end of the period	35,901,487	35,901,487	35,901,487	35,901,487	35,901,487	35,901,487
Average number of shares during the period	35,901,487	35,901,487	35,901,487	34,289,449	35,901,487	34,692,458
Number of stores in MECA/of which wholly owned	-	-	133/107	140/110	-	138/108
Number of stores in Mekonomen Norden/of which wholly owned	-	-	194/147	206/158	-	204/156
Number of stores in Sørensen og Balchen, of which wholly owned	-	-	76/34	77/36	-	78/36
Number of stores in Other/of which wholly owned	-	-	1/1	1/1	-	1/1

¹⁾ The key figures for return on equity/capital employed/total capital are calculated on a rolling 12-month basis for the January-September period.

²⁾ Effect on the Group's gross margin in 2012 if future invoicing had been net recognised in the MECA segment was 0.3 percentage point in the third quarter of 2012, and 0.1 percentage point in the January-September nine-month period in 2012.

Mekonomen makes CarLife easier through a wide and easily accessible range of inexpensive and innovative solutions and products for consumers and companies. We are the leading automotive spare-parts chain in the Nordic region, with proprietary wholesale operations, more than 400 stores and 2,300 workshops operating under the Mekonomen brands.

AVERAGE NUMBER OF EMPLOYEES	January – September	
	2013	2012
MECA ¹⁾	1,025	649
Mekonomen Nordic	1,262	1,323
Sørensen og Balchen	261	269
Other ²⁾	17	15
GROUP	2,565	2,256

¹⁾ A significant portion of the MECA segment was acquired on 23 May 2012 and, as such, was only included in the period 23 May 2012 – 30 September 2012. Comparative figures for MECA Denmark include the full-year 2012.

²⁾ “Other” comprises Mekonomen AB, with personnel employed mainly in Group Management and finance management, as well as personnel employed in M by Mekonomen.

Mekonomen makes CarLife easier through a wide and easily accessible range of inexpensive and innovative solutions and products for consumers and companies. We are the leading automotive spare-parts chain in the Nordic region, with proprietary wholesale operations, more than 400 stores and 2,300 workshops operating under the Mekonomen brands.

Financial reports, Parent Company

CONDENSED INCOME STATEMENT (SEK M)	July - September		January-September		12 months	Full-year
	2013	2012	2013	2012	Oct - Sep	2012
Total revenues	21	42	66	153	102	189
Operating expenses	-29	-46	-79	-165	-126	-212
EBIT	-8	-4	-13	-12	-24	-23
Net financial items ¹⁾	105	-16	90	72	136	118
PROFIT/LOSS AFTER FINANCIAL ITEMS	97	-20	77	60	112	95
NET PROFIT FOR THE PERIOD	85	-14	69	69	227	227

¹⁾ Dividends in subsidiaries totalling SEK 114 M (0) are included in the third quarter of 2013, SEK 114 M (93) for the nine-month period of 2013 and 2012, and SEK 150 M for the full-year 2012 in net financial items.

PARENT COMPANY COMPREHENSIVE INCOME (SEK M)	July - September		January – September		12 months	Full-year
	2013	2012	2013	2012	Oct - Sep	2012
Net profit for the period	85	-14	69	69	227	227
<i>Components that may later be reclassified as earnings for the year:</i>						
Exchange-rate difference, net investment in foreign operations	-	-	-	-	-1	-1
COMPREHENSIVE INCOME FOR THE PERIOD	85	-14	69	69	226	226

CONDENSED BALANCE SHEET (SEK M)	30 September 2013	30 September 2012	31 December 2012
ASSETS			
Fixed assets	3,180	3,289	3,304
Current receivables in Group companies	543	569	789
Other current receivables	71	102	150
Cash and cash equivalents	-	1	-
TOTAL ASSETS	3,794	3,961	4,243
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	1,728	1,752	1,910
Provisions	1	2	1
Untaxed reserves	178	159	178
Long-term liabilities	1,705	1,849	1,797
Current liabilities in Group companies	30	60	127
Other current liabilities	152	139	230
TOTAL SHAREHOLDERS' EQUITY AND	3,794	3,961	4,243

CONDENSED CHANGE IN SHAREHOLDERS' EQUITY (SEK M)	January – September	
	2013	2012
SHAREHOLDERS' EQUITY AT THE BEGINNING OF THE PERIOD	1,910	1,287
Comprehensive income for the period	69	69
Dividend to shareholders	-251	-263
New share issue	-	659
SHAREHOLDERS' EQUITY AT THE END OF THE PERIOD	1,728	1,752

Mekonomen makes CarLife easier through a wide and easily accessible range of inexpensive and innovative solutions and products for consumers and companies. We are the leading automotive spare-parts chain in the Nordic region, with proprietary wholesale operations, more than 400 stores and 2,300 workshops operating under the Mekonomen brands.

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 interest, expressed 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, as a percentage of total revenues.

EBITA – EBIT after planned depreciation/amortisation but before depreciation, amortisation and impairment on intangible assets.

EBITA margin - EBITA as a percentage of total revenues.

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

Cash flow per share – Operating cash flow from operating activities, adjusted for convertible interest rates, in relation to the average number of shares.

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.

Comparable units – Stores, majority-owned workshops and Internet sales that have been in operation for the previous 12 month period and throughout the entire preceding comparable period.

Comparable sales – Comparable sales comprise external sales in majority-owned stores, wholesale sales to affiliated stores, external sales in majority-owned workshops and Internet sales.

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

Net debt – Interest-bearing liabilities less cash and cash equivalents.

Mekonomen makes CarLife easier through a wide and easily accessible range of inexpensive and innovative solutions and products for consumers and companies. We are the leading automotive spare-parts chain in the Nordic region, with proprietary wholesale operations, more than 400 stores and 2,300 workshops operating under the Mekonomen brands.