

Everything to do with
our finances.
And then some.

Year-end report 2012



Year-end report 2012

Full year 2012

- Net turnover amounted to SEK 17,662 M (18,160).
- Operating profit excluding items affecting comparability amounted to SEK 310 M (498).
- Net profit for the year was SEK 152 M (420) and earnings per share SEK 6.15 (16.85).
- Operating cash flow amounted to SEK 446 M (485).
- An ordinary dividend is proposed in the amount of SEK 6.00 (9.50).

Fourth quarter

- Net turnover amounted to SEK 4,534 M (4,780).
- Operating profit excluding items affecting comparability amounted to SEK 127 M (154).
- Strong earnings in Sweden.

In a comment on the fourth quarter, Bilias Managing Director Per Avander says:

“Demand for new cars and service was on a level with the situation during the third quarter. It is gratifying to be able to wind up a rather tough year with a strong quarterly report. We have closed another two facilities in Denmark and will continue to run the operation from five facilities during 2013. We reported a very good cash flow during the 2012, and the Group’s financial position continues to be strong. In our judgement, demand for cars and service during the first quarter of 2013 will be on a level with the last quarter of 2012.”



Group	Fourth quarter		Full year	
	2012	2011	2012	2011
Net turnover, SEK M	4,534	4,780	17,662	18,160
Operating profit excl. items affecting comparability, SEK M ¹⁾	127	154	310	498
Operating margin excl. items affecting comparability, %	2.8	3.2	1.8	2.7
Operating profit, SEK M	100	154	249	489
Operating margin, %	2.2	3.2	1.4	2.7
Profit before tax excl. items affecting comparability, SEK M ¹⁾	124	146	296	471
Profit before tax, SEK M	97	146	235	462
Net profit for the period / year, SEK M	77	99	152	420
Earnings/loss per share, SEK ²⁾	3.15	4.00	6.15	16.85

¹⁾ Items affecting comparability are shown in the table on page 5.

²⁾ The number of shares used in the calculation is shown in the table on page 15.

Notable events during 2012

Fourth quarter

- It was decided to make further cutbacks in Denmark. Another two facilities were closed and the organization was improved and streamlined. The number of dealerships was reduced during the year from eight to five. It is estimated that the cost base will be reduced by nearly SEK 60 M (-25 per cent) in 2013 compared with 2012.
- Since the decision in May of the Board of Directors to initiate a buy-back of own shares within the framework of the AGM's authorisation, 562,313 shares have been repurchased, as of 31 December 2012, for a total of SEK 50 M. Following the acquisition of Auto 7H, 456,493 repurchased shares remain.

Events reported during previous quarters

- Bilia acquired the BMW operation in the Auto 7H Group, which operates dealerships in Borås, Uddevalla, Henån and Strömstad. The BMW operation within the Auto 7H Group has an annual turnover of about SEK 360 M, and operating profit in 2011 amounted to about SEK 4 M. The company's capital employed, plus agreed-on surplus values, amount to about SEK 60 M. The purchase consideration amounted to SEK 16 M, of which SEK 10 M was paid in repurchased Bilia shares (105,820 shares) and the remaining SEK 6 M in cash. The operation has been a part of Bilia since 1 November 2012.
- Bilia sold the BMW operation in Moss and Fredrikstad, which resulted in a profit of SEK 20 M. The purchase consideration amounted to SEK 52 M.
- Bilia acquired all the shares in Stenshagen Bil Oslo AS and Stenshagen Bil Kongsvinger AS. The companies have an annual turnover of about SEK 1.0 bn, and 2011 operating profit amounted to about SEK 45 M. The purchase consideration amounted to SEK 237 M, of which SEK 63 M was paid in repurchased Bilia shares (515,000 shares) and the remaining SEK 174 M in cash. The operation has been a part of Bilia since 1 January 2012.
- Bilia continued its expansion in the Service Business by acquiring all the shares in Blombergs Bilservice i Lidingö AB. The company has operated a BMW workshop on Lidingö outside Stockholm for 30 years. The purchase consideration was SEK 8 M.

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

Fourth quarter 2012

Demand for new cars and service was at a lower level compared with the same period last year, but on a level with the year's third quarter.

Net turnover amounted to SEK 4,534 M (4,780). For comparable operations and adjusted for exchange rate changes, net turnover decreased by about SEK 460 M or 10 per cent. The decrease is mainly attributable to lower sales of new cars and service.

Operating profit amounted to SEK 100 M (154). If items affecting comparability are excluded, operating profit amounted to SEK 127 M (154). The lower profit is attributable to lower demand in the Service Business. The Car Business reported a profit that was marginally better than last year's. Measures adopted during the year such as closure of dealerships, staff cutbacks etc. have reduced the cost level by about SEK 14 M during the quarter. Underlying overheads were on a level with last year and amounted to 13.8 per cent of net turnover, which was 1.3 percentage points higher compared with last year.

Net financial items amounted to SEK -3 M (-8). The improvement is mainly attributable to a lower interest rate level and the fact that a premium of SEK 3 M for the repurchase of debenture loans was charged to last year's net financial items. The figure includes a profit share of SEK 5 M (5) from the associated company Volvofinans Bank AB.

Tax for the period amounted to SEK -20 M (-47). Tax was affected positively by SEK 20 M due to revaluation of deferred tax liability as a result of the fact that the Swedish income tax rate has been lowered to 22 per cent starting in 2013. No tax asset has been recognised for the quarter's deficit in Denmark.

Profit for the period was SEK 77 M (99) and earnings per share SEK 3.15 (4.00). Exchange rate changes increased the profit by SEK 2 M.

Total assets increased during the quarter by SEK 470 M to SEK 5,793 M. The increase is mainly attributable to the acquisition of Auto 7H and to higher stocks of new and used cars.

Equity increased during the quarter by SEK 95 M, amounting to SEK 1,753 M. The use of repurchased Bilia shares to pay for the acquisition of Auto 7H increased owner equity by SEK 10 M. The equity/assets ratio amounted to 30 per cent (33).

Acquisition of non-current assets amounted to SEK 51 M (32). Replacement investments represented SEK 13 M (10), expansion investments SEK 16 M (15), environmental investments SEK 2 M (1) and investments in new construction and additions to properties SEK 18 M (7), while finance leases amounted to SEK 2 M (-1).

Operating cash flow amounted to SEK -20 M (19). After acquisition of operations and change in interest-bearing receivables, cash flow amounted to SEK -22 M (23). Net debt increased by SEK 78 M during the quarter, amounting to SEK 395 M.

Liquidity remains good, and at the end of December a debt to the banks of SEK 55 M was reported. The combined credit limit with Nordea and DNB amounts to SEK 900 M.

The number of employees increased by 54 during the quarter and amounts to 3,431 persons. The acquisition of Auto 7H is included in the increase by 42 persons.


Full year 2012

Demand for new cars and service was lower than in 2011.

Net turnover amounted to SEK 17,662 M (18,160). For comparable operations and adjusted for exchange rate changes, net turnover decreased by about SEK 1,450 M or 8 per cent. The decrease is mainly attributable to lower sales of new cars and service.

Operating profit amounted to SEK 249 M (489). If items affecting comparability are excluded, operating profit amounted to SEK 310 M (498). The lower profit is mainly attributable to lower demand in the Service Business. The Car Business reported slightly lower earnings compared with last year. Underlying overheads were on a level with last year and amounted to 13.6 per cent of net turnover, which was 0.9 percentage points higher compared with last year.

Net financial items amounted to SEK -14 M (-27). The improvement is mainly attributable to lower net debt and the fact that a premium of SEK 3 M for the repurchase of debenture loans was charged to last year's net financial items. The figure includes a profit share of SEK 19 M (17) from the associated company Volvofinans Bank AB.



Tax for the period amounted to SEK -83 M (-42). Tax was affected by positively by SEK 20 M due to revaluation of deferred tax liability as a result of the fact that the Swedish income tax rate has been lowered to 22 per cent as from 2013. No tax asset has been recognised for the year's deficit in Denmark, and the tax asset attributable to unutilised loss carryforwards has been written down to SEK 0. Last year's tax includes a won dispute with the Swedish National Tax Board, which reduced the tax expense by SEK 82 M.

Net profit for the year amounted to SEK 152 M (420) and earnings per share to SEK 6.15 (16.85). Exchange rate changes increased the profit by SEK 5 M.

Total assets increased by SEK 287 M to SEK 5,793 M. The increase is attributable to acquisitions of operations in Sweden and Norway.

Equity decreased by SEK 60 M, amounting to SEK 1,753 M. Dividends were paid to shareholders in the amount of SEK 238 M.

Acquisition of non-current assets amounted to SEK 155 M (83). Replacement investments represented SEK 35 M (31), expansion investments SEK 47 M (32), environmental investments SEK 2 M (1) and investments in new construction and additions to properties SEK 65 M (14), while finance leases amounted to SEK 6 M (5).

Operating cash flow amounted to SEK 446 M (485). After acquisition of operations and change in interest-bearing receivables, cash flow amounted to SEK 253 M (378). Net debt increased by SEK 72 M, amounting to SEK 395 M.

The number of employees declined by 30, amounting to 3,431 persons. There was a net increase in the number of employees by 125 due to acquisitions and disposals.

Items affecting comparability

Group, SEK M	Fourth quarter		Full year	
	2012	2011	2012	2011
Operating profit excl. items affecting comparability	127	154	310	498
<i>Items affecting comparability</i>				
- Gain from sale of operation, other	4	0	24	0
- Structural costs etc.	-31	0	-85	-9
Operating profit	100	154	249	489
Profit before tax excl. items affecting comparability	124	146	296	471
<i>Items affecting comparability</i>				
- Gain from sale of operation, other	4	0	24	0
- Structural costs etc.	-31	0	-85	-9
Profit before tax	97	146	235	462

The quarter's *Gain from sale of operations and other* pertains to capital gain from the sale of parts of the operation in Roskilde and capital gain from the sale of an agreement concerning acquisition of a property in Copenhagen. *Structural costs etc.* are primarily attributable to Denmark and pertain to closure of two facilities, staff reductions and revaluation of previous provisions.

The full year's *Gain from sale of operations and other* pertains to the sale of the BMW operation in Moss and Fredrikstad and sales in conjunction with the restructuring in Denmark. *Structural costs etc.* pertains to measures aimed at reducing future costs and closure/discontinuation of operations. Altogether, it is estimated that adopted measures will reduce costs by about SEK 110 M per year, of which SEK 22 M has affected 2012 earnings. The measures are also expected to reduce gross profit in 2013 by about SEK 20 M, so that the earnings improvement in 2013 compared with 2012 is estimated at about SEK 68 M.



Group

No. of new cars	Deliveries				Order backlog 31 Dec.	
	Fourth quarter 2012	2011	Full year 2012	2011	2012	2011
Sweden	6,427	7,786	23,729	29,770	3,473	3,592
Norway	1,919	1,890	7,610	6,876	1,077	1,111
Denmark	990	1,385	3,217	4,351	333	377
Total	9,336	11,061	34,556	40,997	4,883	5,080

SEK M	Net turnover				Operating profit/loss excl. items affecting comparability , operating margin							
	Fourth quarter 2012	2011	Full year 2012	2011	Fourth quarter 2012	%	2011	%	Full year 2012	%	2011	%
Sweden	2,934	3,166	11,136	12,229	121	4.1	132	4.2	280	2.5	414	3.4
Norway	1,305	1,190	5,403	4,513	27	2.0	37	3.1	117	2.2	128	2.8
Denmark	296	424	1,121	1,421	-8	-2.5	-3	-0.7	-47	-4.2	-1	0.0
Total Cars	4,535	4,780	17,660	18,163	140	3.1	166	3.5	350	2.0	541	3.0
Parent Company, other	-1	0	2	-3	-13	-	-12	-	-40	-	-43	-
Total	4,534	4,780	17,662	18,160	127	2.8	154	3.2	310	1.8	498	2.7

- Strong earnings in Sweden
- Order backlog on a level with last year

The market for new cars decreased during the quarter by 8 per cent in Denmark, 5 per cent in Norway and 1 per cent in Sweden.

The Group reported an operating profit, excluding items affecting comparability, of SEK 127 M (154) and an operating margin of 2.8 per cent (3.2). The poorer results are attributable to lower demand in the Service Business. The Car Business reported earnings on a level with last year. A higher margin in car sales compensated for a lower turnover during quarter. The order backlog decreased by 584 cars during the quarter.

The operation in Sweden reported an operating profit of SEK 121 M (132). The Service Business finished the year well, reporting a profit of SEK 94 M (111) or 13.1 per cent (14.7). The Car Business reported a profit that was SEK 7 M better than last year's. Lower sales of new cars were offset by a slightly higher gross profit margin in sales of both new and used cars.

Operating profit in Bilias Norwegian operation amounted to SEK 27 M (37). The Car Business reported a profit that was SEK 2 M worse than last year. The decline is mainly attributable to a lower gross profit margin in used car sales. Lower underlying sales of new cars, excluding the acquisition of Stenshagen Car, were offset by a slightly higher gross profit margin. The introduction at the beginning of the year of the concept - so successful in Sweden - of personal service technicians led to costs that were charged to earnings in the Service Business during the fourth quarter as well. However, customer satisfaction has developed positively during the year, showing a substantial improvement during the last quarter. The Service Business reported earnings that were SEK 8 M lower compared with last year.

The Danish operation reported an operating loss of SEK 8 M (loss: 3). Demand for service remained at a low level, and turnover decreased by 22 per cent, while earnings decreased by SEK 2 M. The Car Business reported a profit that was SEK 3 M lower than last year. Three of eight facilities were closed during the year. Measures adopted during the year are expected to reduce the total costs by slightly less than SEK 60 M (-25 per cent) during 2013 compared with last year.

Cars – divided into Service, Car and Fuel Businesses

SEK M	Net turnover				Operating profit, operating margin			
	Fourth quarter		Full year		Fourth quarter		Full year	
	2012	2011	2012	2011	2012	2011	2012	2011
Service Business	1,076	1,134	3,960	4,064	110	137	252	403
- margin, %					10.2	12.0	6.4	9.9
Car Business	3,363	3,587	13,233	13,679	26	24	85	123
- margin, %					0.8	0.7	0.6	0.9
Fuel Business	284	294	1,185	1,190	4	5	13	15
- margin, %					1.4	1.7	1.1	1.3

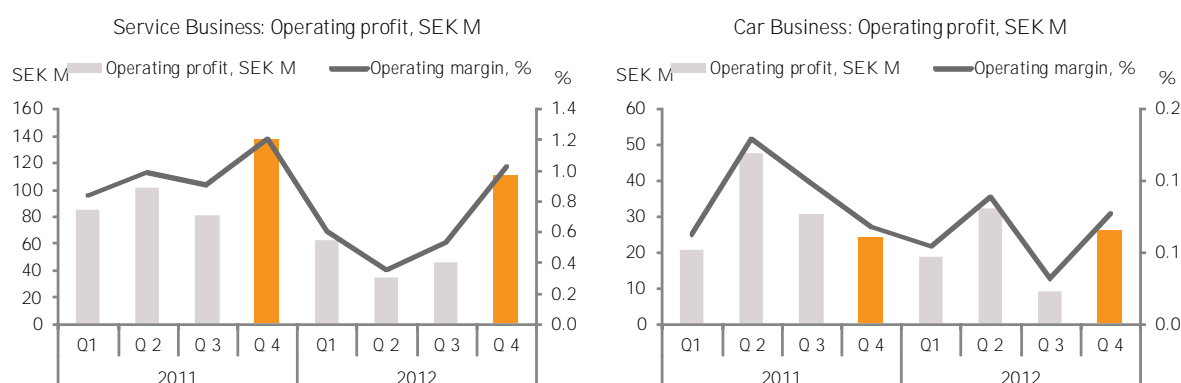
- Better earnings in the Service Business
- Loss in the used car business

The Service Business's sales for comparable operations and adjusted for exchange rate changes decreased by 8 per cent. Sales in Sweden declined by 6 per cent, in Norway by 6 per cent and in Denmark by 22 per cent. The fourth quarter included two fewer work days (-3 per cent) compared with last year, which means that the underlying total turnover decreased by nearly 5 per cent. Despite the lower turnover, quarterly earnings were the highest for the year, but SEK 27 M lower compared with last year. A higher gross profit margin and lower costs during the quarter compared with the first three quarters of the year were the main reasons for the good earnings level.

The Car Business's deliveries of new cars declined during the quarter for comparable operations by 19 per cent and deliveries of used cars by 5 per cent. Orders received for new cars were also at a slightly lower level than last year, -2 per cent, and were also lower compared with the quarter's deliveries. The order backlog declined by 584 cars during the quarter, but was on a level with last year. The gross profit margin in used car sales declined, but was on a level with the same quarter last year. The used car business reported a loss for the quarter, that however was slightly lower compared with last year. However, a small profit was reported for the full year 2012.

Stocks of new unsold cars and used cars increased slightly during the quarter but are still at good levels. The turnover rate for used cars remained at a high level, amounting to nearly 10 times per year.

The volume in the Fuel Business, which is concentrated to Sweden, decreased by about 9 per cent during the quarter.



All values in the above graphs pertain to isolated quarters.

Acquisition of operation 2012

Auto 7H AB

Bilia acquired all shares in the BMW dealer Auto 7H AB with dealerships in Borås, Uddevalla, Strömstad and Henån. The operation has been a part of Bilia Group since 1 November 2012. Auto 7H AB reported a turnover of about SEK 360 M in 2011, with an operating margin of just over 1 per cent. The number of cars sold annually is around 1,400. The purchase consideration amounted to SEK 16 M, of which SEK 10 M was paid in repurchased Bilia shares (105,820 shares valued at market value) and the remaining SEK 6 M in cash. There is no contingent purchase consideration.

The acquisition is a part of Bilia's investment in BMW, which started in Norway in 2006 and continued with the acquisition of the BMW operation in Gothenburg in 2009 and in Stockholm in 2011.

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

Effects of the acquisition

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

The acquiree's net assets at the date of acquisition:

SEK M	Carrying amounts in Auto 7H AB	Fair value adjustment	Fair value recognised in Group
Intangible assets	11	16	27
Property, plant and equipment	6	-	6
Long-term investments	-	3	3
Deferred tax asset	2	-	2
Inventories	55	-1	54
Trade receivables and other receivables	20	-	20
Cash and cash equivalents	0	-	0
Interest-bearing liabilities	33	-	33
Trade payables and other liabilities	56	3	59
Deferred tax liability	-	4	4
Net identifiable assets and liabilities	5	11	16
Consolidated goodwill			-
Purchase consideration paid, Bilia shares			10
Purchase consideration paid, cash			6
Less: Cash and cash equivalents in acquired operation			0
Net effect on cash and cash equivalents			16

Acquired customer relations totalling SEK 16 M are recognized as intangible assets. These customer relations will be amortized over 10 years.



Acquisitions of operation 2012

Stenshagen Bil Oslo AS and Stenshagen Bil Kongsvinger AS

Bilia acquired all the shares in Stenshagen Bil Oslo AS and Stenshagen Bil Kongsvinger AS. The operation has been a part of the Bilia Group since 1 January 2012. The companies, which are major BMW and Volvo dealers in Norway, have an annual turnover of about SEK 1.0 bn, with an operating margin of about 4 per cent. The number of cars sold annually is around 2,500. The purchase consideration amounted to SEK 237 M, of which SEK 63 M was paid with repurchased Bilia shares (515,000 shares) valued at market value and the remaining SEK 174 M was paid in cash. There is no contingent purchase consideration.

The business is concentrated to the Oslo area. The acquisitions strengthen the operation in Norway and provide an opportunity to achieve considerable synergies. As a result of the acquisitions, it will be possible to restructure Bilia's operation in Oslo to efficient stand-alone dealerships for both BMW and Volvo.

The goodwill item is mainly attributable to synergies in new car sales to corporate customers and cost savings in purchasing and administration.

Acquisition-related expenses amount to SEK 0.2 M and consist of fees to consultants for due diligence. These expenses have been recognized as "Other operating expenses" in the Statement of Comprehensive Income.

Effects of the acquisitions

The acquisitions have the following effects on the Group's assets and liabilities.

The acquirees' net assets at the date of acquisition:

SEK M	Carrying amounts in Stenshagen's dealership operation	Fair value adjustment	Fair value recognised in Group
Intangible assets	-	74	74
Property, plant and equipment	4	176	180
Long-term investments	0	-	0
Deferred tax asset	0	-	0
Inventories	155	2	157
Trade receivables and other receivables	54	0	54
Cash and cash equivalents	46	-	46
Interest-bearing liabilities	4	-	4
Trade payables and other liabilities	185	190	375
Deferred tax liability	0	17	17
Net identifiable assets and liabilities	70	45	115
Consolidated goodwill			122
Purchase consideration paid, Bilia shares			63
Purchase consideration paid, cash			174
Less: Cash and cash equivalents in aquired operation			46
Net effect on cash and cash equivalents			191

Acquired customer relations totalling SEK 74 M are recognized as intangible assets. These customer relations will be amortized over 10 years.



Acquisition of operation 2012

Blombergs Bilservice i Lidingö AB

Bilia acquired all the shares in Blombergs Bilservice i Lidingö AB. The operation has been a part of the Bilia Group since 1 February 2012. The company runs a BMW workshop on Lidingö. The business is run from premises that are owned as a unit in a housing cooperative. Blombergs Bilservice i Lidingö AB has an annual turnover of about SEK 10 M with an operating margin of about 3 per cent. The purchase consideration amounted to SEK 8 M. The entire purchase consideration was paid in cash. There is no contingent purchase consideration.

The acquisition will enable Bilia to offer workshop services to BMW customers on Lidingö, as a complement to the existing Volvo workshop.

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

Effects of the acquisition

Below is the final acquisition analysis, which does not differ from the former preliminary version. The acquisition has the following effects on the Group's assets and liabilities.

The acquiree's net assets at the date of acquisition:

SEK M	Carrying amounts in Blombergs Bilservice i Lidingö AB	Fair value adjustment	Fair value recognised in Group
Intangible assets	-	1	1
Property, plant and equipment	0	-	0
Long-term investments	0	8	8
Inventories	1	-	1
Trade receivables and other receivables	1	-	1
Cash and cash equivalents	0	-	0
Interest-bearing liabilities	0	-	0
Trade payables and other liabilities	1	-	1
Deferred tax liability	-	2	2
Net identifiable assets and liabilities	1	7	8
Consolidated goodwill			-
Purchase consideration paid, cash			8
Less: Cash and cash equivalents in acquired operation			0
Net effect on cash and cash equivalents			8

Acquired customer relations totalling SEK 1 M are recognized as intangible assets. These customer relations will be amortized over 10 years.



Parent Company

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

The Parent Company's operating loss for the fourth quarter amounted to SEK 13 M (loss: 12).

Dividend

The Board of Directors proposes a regular dividend of SEK 6.00 (9.50).

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. The economic turbulence in the world may reduce demand 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 2011 Annual Report.

Operating segments

As from 1 January 2012, the Fuel Business has been separated from the Service Business. The purpose of this change is to further clarify how turnover and earnings are divided between service and fuel. Fuel is now reported as a separate segment and is followed up for the Group as a whole, not by country. Fuel was previously included in the Service Business.

The Parent Company and eliminations are reported under segment reconciliation.

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. The changes that have entered into force and apply for financial year 2012 have not had any effect on the Consolidated or Parent Company financial statements.

New IFRS standards that have not yet begun to be applied

The revised IAS 19 "Employee benefits" applies as from 1 January 2013. The amendment entails abandonment of the "corridor method". Actuarial gains and losses will be recognised in "Other comprehensive income" with cumulative effect in equity. Return calculated on plan assets will be

based on the discount rate used to calculate the pension obligation and be included in the net profit for the year. The difference between real and calculated return on plan assets will be recognised in other comprehensive income. Since the change in accounting principles will be applied retrospectively, the 2012 figures will be recalculated in the report for the first quarter of 2013. Interest-bearing liabilities are expected to increase by SEK 216 M, and the effect on equity of previously unrecognised actuarial losses, after allowance for the legal special payroll tax and deferred tax, is estimated at SEK 168 M.

Events after the end of the report period

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

Audit

This year-end report has not been subjected to special examination by the auditors.

Annual General Meeting 2013

The Annual General Meeting will be held on 3 May at 11 a.m. 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 15 March 2013 in order for the matter to be included in the notice of the meeting.

The annual report for 2012 will be published on Bilia's website on 26 March 2013.

Next report

The interim report for the first quarter of 2013 will be published on 3 May 2013.

Gothenburg, 5 February 2013
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.

Bilia AB (publ)
Box 9003, SE-400 91 Gothenburg, Sweden
Visiting address: Norra Långebergsgatan 3, Västra Frölunda
Telephone: +46 31 709 55 00
www.bilia.com
Corporate ID No.: 556112-5690

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Group's operating segments

Full year												
SEK M	Service		Car		Fuel		Total Cars		Segment reconciliation		Group	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Net turnover												
External sales	3,242	3,294	13,233	13,679	1,185	1,190	17,660	18,163	2	-3	17,662	18,160
Internal sales	718	770					718	770	-718	-770	-	-
Total net turnover	3,960	4,064	13,233	13,679	1,185	1,190	18,378	18,933	-716	-773	17,662	18,160
Depreciation/amortisation	72	71	276	267	5	0	353	338	15	11	368	349
Operating profit/loss	252	403	85	123	13	15	350	541	-101	-52	249	489
Interest income											11	10
Interest expenses											44	54
Shares in profits of associated companies			19	17			19	17			19	17
Profit before tax											235	462
Tax expense for the year											-83	-42
Net profit for the year											152	420
<i>Material items of income and expense of a non-recurring nature recognised in the Income Statement:</i>												
<i>Items affecting comparability</i>												
- Profit from sale of operation, other	14		10				24				24	
- Structural costs etc.	-65	-2	-14	-7	-3		-82	-9	-3		-85	-9
Items of non-recurring nature	-51	-2	-4	-7	-	-	-58	-9	-3	-	-61	-9
<i>Material items not affecting cash besides depreciation/amortisation:</i>												
- Other	-73	-24	-38	-19	-1	0	-112	-43	-2	-2	-114	-45
Total	-73	-24	-38	-19	-1	0	-112	-43	-2	-2	-114	-45
Assets												
Interests in associated companies			317	312			317	312			317	312
Deferred tax assets											32	67
Other assets											5,444	5,127
Total assets			317	312			317	312			5,793	5,506
Investments in non-current assets	75	37	190	269	3	0	268	306	28	27	296	333
Liabilities												
Equity											1,753	1,813
Liabilities											4,040	3,693
Total liabilities and equity											5,793	5,506

SEK M	Revenue from external customers		Non-current assets	
	2012	2011	2012	2011
Geographical segments				
Sweden	11,142	12,231	2,717	2,787
Norway	5,403	4,513	580	157
Denmark	1,121	1,421	72	111
Segment reconciliation	-4	-5	-723	-742
Total	17,662	18,160	2,646	2,313

Specification Service / Car

Full year

SEK M	Sweden		Service Norway		Denmark		Sweden		Car Norway		Denmark	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Net turnover												
External sales	2,194	2,266	783	700	265	328	7,803	8,818	4,574	3,768	856	1,093
Internal sales	369	424	270	254	79	92						
Total net turnover	2,563	2,690	1,053	954	344	420	7,803	8,818	4,574	3,768	856	1,093
Depreciation/amortisation	58	58	8	7	6	6	248	244	23	18	5	5
Operating profit/loss	219	310	46	79	-13	14	49	90	70	48	-34	-15
Shares in profits of associated companies							19	17				
<i>Material items of income and expense of a non-recurring nature recognised in the Income Statement:</i>												
<i>Items affecting comparability</i>												
- Profit from sale of operation, other			12		2				8		2	
- Structural costs etc.	-7		-4	-2	-54		-3		-3	-7	-8	
Items of non-recurring nature	-7	-	8	-2	-52	-	-3	-	5	-7	-6	-
<i>Material items not affecting cash besides depreciation/amortisation:</i>												
- Other	-31	-12	-1	-5	-41	-7	-29	-16	-4	-4	-5	1
Total	-31	-12	-1	-5	-41	-7	-29	-16	-4	-4	-5	1
Assets												
Interests in associated companies							317	312				
Investments in non-current assets	39	28	33	7	3	2	129	283	40	-1	21	-13



Consolidated Statement of Comprehensive Income

SEK M	Fourth quarter		Full year	
	2012	2011	2012	2011
Net turnover	4,534	4,780	17,662	18,160
Costs of goods sold	3,782	4,030	14,949	15,364
Gross profit	752	750	2,713	2,796
Other operating income	8	3	32	8
Selling expenses	514	506	1,980	1,926
Administrative expenses	113	91	427	375
Other operating expenses	33	2	89	14
Operating profit ¹⁾	100	154	249	489
Financial income	4	2	11	10
Financial expenses	12	15	44	54
Shares in profits of associated companies	5	5	19	17
Net financial items	-3	-8	-14	-27
Profit before tax	97	146	235	462
Tax	-20	-47	-83	-42
Net profit for the year	77	99	152	420
Other comprehensive income/loss				
Translation differences for the period on translation of foreign financial statements	7	-9	2	1
Comprehensive income for the year	84	90	154	421
Net profit for the year attributable to: Parent Company's shareholders	77	99	152	420
Comprehensive income for the year attributable to: Parent Company's shareholders	84	90	154	421
Number of shares at end of period, '000:				
- before dilution	24,658	24,565	24,658	24,565
- after dilution	25,003	24,944	25,003	24,944
Basic earnings/loss per share, SEK	3.10	4.05	6.15	17.10
Diluted earnings/loss per share, SEK	3.10	4.00	6.10	16.85
Number of own shares at end of period, '000	456	515	456	515
Weighted average number of shares, '000:				
- before dilution	24,567	24,563	24,748	24,874
- after dilution	24,914	24,944	25,106	25,292
Basic earnings/loss per share, SEK	3.15	4.00	6.15	16.85
Diluted earnings/loss per share, SEK	3.10	4.00	6.05	16.60
Weighted average number of own shares, '000	545	515	354	167
¹⁾ Straight-line amortisation/depreciation by asset class:				
- Intellectual property	9	7	37	27
- Land and buildings	4	3	10	9
- Equipment, tools, fixtures and fittings	17	19	72	76
- Leased vehicles	68	66	249	237
Total	98	95	368	349

Consolidated Statement of Financial Position, Summary

SEK M	31/12 2012	31/12 2011
Assets		
Non-current assets		
Intangible assets		
Intellectual property	214	139
Goodwill	281	149
	495	288
Property, plant and equipment		
Land and buildings	119	102
Construction in progress	2	1
Equipment, tools, fixtures and fittings	308	284
Leased vehicles ¹⁾	1,339	1,271
	1,768	1,658
Long-term investments		
Financial investments	331	317
Non-current receivables ²⁾	52	50
	383	367
Deferred tax assets	32	67
Total non-current assets	2,678	2,380
Current assets		
Inventories, merchandise	2,084	2,128
Current receivables		
Other receivables ¹⁾	969	901
Cash and cash equivalents ²⁾	62	97
Total current assets	3,115	3,126
Total assets	5,793	5,506
Equity and liabilities		
Equity		
Share capital	251	251
Other contributed capital	47	46
Reserves	-22	-24
Retained earnings including net profit for the year	1,477	1,540
Total equity	1,753	1,813
Non-current liabilities		
Debenture loan ³⁾	28	28
Interest-bearing liabilities ³⁾	97	110
Other liabilities and provisions ⁴⁾	1,174	1,122
	1,299	1,260
Current liabilities		
Interest-bearing liabilities ³⁾	199	227
Other liabilities and provisions	2,542	2,206
	2,741	2,433
Total equity and liabilities	5,793	5,506
Assets		
¹⁾ Of which interest-bearing	196	242
²⁾ Interest-bearing	114	147
Liabilities		
³⁾ Interest-bearing	324	365
⁴⁾ Of which interest-bearing	381	347

Statement of Changes in Group Equity, Summary

SEK M	31/12 2012	31/12 2011
Opening balance	1,813	1,739
Cash dividend to shareholders	-238	-301
Exercised warrants	1	4
Acquisitions with own shares	73	-
Buy-back of own shares	-50	-50
Comprehensive income for the period	154	421
Closing balance	1,753	1,813

Consolidated Statement of Cash Flows

SEK M	Fourth quarter		Full year	
	2012	2011	2012	2011
Operating activities				
Profit before tax	97	146	235	462
Depreciation/amortisation and impairment losses	98	98	368	352
Other items not affecting cash	39	-4	118	26
Tax paid	-38	4	-84	-40
Change in inventories	-244	-336	225	-241
Change in operating receivables	-61	-11	32	117
Change in operating liabilities	205	191	-178	142
Cash flow from operating activities	96	88	716	818
Investing activities				
Acquisitions of non-current assets	-51	-32	-155	-83
Disposal of non-current assets	20	0	26	0
Acquisitions and disposals of leased vehicles	-85	-37	-141	-250
Operating cash flow	-20	19	446	485
Acquisition of financial assets	7	0	-8	0
Disposal of financial assets	7	4	7	14
Acquisition of subsidiary/operation, net	-16	0	-220	-121
Disposal of subsidiary/operation, net	0	0	28	0
Cash flow after net investments	-22	23	253	378
Financing activities				
Borrowings	0	200	375	2,175
Repayment of loans	0	-200	-375	-2,175
Change in overdraft facility	33	-58	-78	-2
Exercised warrants	1	0	1	4
Acquisitions with own shares	10	0	73	0
Buy-back of own shares	0	0	-50	-50
Dividend paid to Parent Company's shareholders	0	0	-238	-301
Cash flow from financing activities	44	-58	-292	-349
Change in cash and cash equivalents, excl. translation differences	22	-35	-39	29
Exchange difference in cash and cash equivalents	-2	-2	4	0
Change in cash and cash equivalents	20	-37	-35	29
Cash and cash equivalents at start of period	42	134	97	68
Cash and cash equivalents at end of period	62	97	62	97

Quarterly review

Quarterly review

Group	1/11	2/11	3/11	4/11	1/12	2/12	3/12	4/12
Net turnover, SEK M	4,344	4,857	4,179	4,780	4,562	4,742	3,824	4,534
Operating profit excl. items affecting comparability, SEK M	98	141	105	154	74	59	50	127
Operating margin excl. items affecting comparability, %	2.3	2.9	2.5	3.2	1.6	1.2	1.3	2.8
Operating profit, SEK M	98	141	96	154	74	56	19	100
Operating margin, %	2.3	2.9	2.3	3.2	1.6	1.2	0.5	2.2
Profit before tax, SEK M	92	133	91	146	71	52	15	97
Profit/loss for the period, SEK M	69	184	68	99	49	36	-10	77
Rate of capital turnover, times ¹⁾	3.44	3.48	3.49	3.41	3.36	3.30	3.24	3.15
Return on capital employed, % ¹⁾	23.5	22.9	21.8	20.3	19.3	16.3	13.6	11.5
Return on equity, % ¹⁾	25.8	30.5	29.1	23.6	22.3	14.2	9.9	8.5
Net debt/equity, times	0.16	0.32	0.19	0.18	0.07	0.21	0.19	0.23
Equity/assets ratio, %	35	31	32	33	33	30	31	30
Interest coverage ratio, times ¹⁾	12.6	11.8	10.9	9.4	9.2	8.2	7.0	6.4
Data per share (SEK)								
Earnings/loss for the period	2.75 ²⁾	7.35 ⁴⁾	2.75 ⁶⁾	4.00 ⁸⁾	2.00 ¹⁰⁾	1.40 ¹²⁾	-0.40 ¹⁴⁾	3.15 ¹⁶⁾
Equity	72 ³⁾	68 ⁵⁾	70 ⁷⁾	74 ⁹⁾	77 ¹¹⁾	68 ¹³⁾	68 ¹⁵⁾	71 ¹⁷⁾

¹⁾ Rolling 12 months.

²⁾ Based on weighted average number of shares outstanding during first quarter, 24,954,181.

³⁾ Based on number of shares outstanding at 31 March 2011, 25,016,869.

⁴⁾ Based on weighted average number of shares outstanding during second quarter, 25,057,224.

⁵⁾ Based on number of shares outstanding at 30 June 2011, 25,067,346.

⁶⁾ Based on weighted average number of shares outstanding during third quarter, 24,924,440.

⁷⁾ Based on number of shares outstanding at 30 September 2011, 24,559,147.

⁸⁾ Based on weighted average number of shares outstanding during fourth quarter, 24,563,301.

⁹⁾ Based on number of shares outstanding at 31 December 2011, 24,565,028.

¹⁰⁾ Based on weighted average number of shares outstanding during first quarter, 24,749,835.

¹¹⁾ Based on number of shares outstanding at 31 March 2012, 25,089,165.

¹²⁾ Based on weighted average number of shares outstanding during second quarter, 25,013,960.

¹³⁾ Based on number of shares outstanding at 30 June 2012, 24,752,901.

¹⁴⁾ Based on weighted average number of shares outstanding during third quarter, 24,663,161.

¹⁵⁾ Based on number of shares outstanding at 30 September 2012, 24,546,644.

¹⁶⁾ Based on weighted average number of shares outstanding during fourth quarter, 24,566,868.

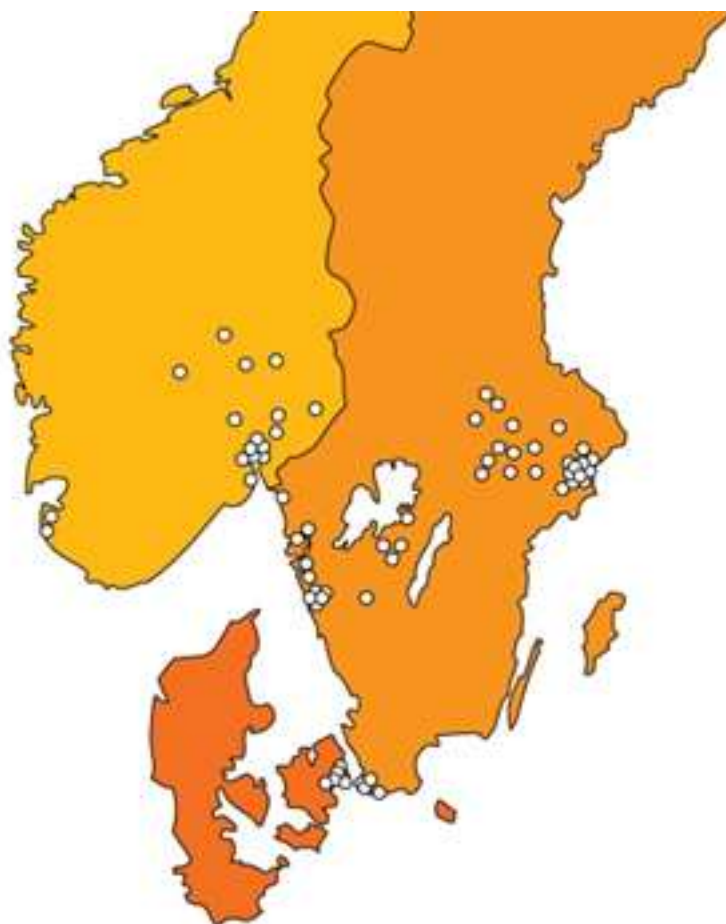
¹⁷⁾ Based on number of shares outstanding at 31 December 2012, 24,657,606.



Income Statement for Parent Company

SEK M	Fourth quarter		Full year	
	2012	2011	2012	2011
Net turnover	88	31	381	126
Administrative expenses	101	43	422	171
Operating loss ¹⁾	-13	-12	-41	-45
Result from financial items				
Income from interests in Group companies	229	366	231	366
Interest income from Group companies	6	7	32	35
Other interest income and similar line items	2	1	5	4
Interest expenses to Group companies	0	0	2	1
Interest expenses and similar line items	3	5	9	21
Profit after financial items	221	357	216	338
Appropriations	-48	-9	-48	-9
Profit before tax	173	348	168	329
Tax	-57	0	-57	-1
Net profit for the year	116	348	111	328

¹⁾ Straight-line amortisation/depreciation by asset class:				
- Intellectual property	4	2	12	8
- Equipment, tools, fixtures and fittings	0	0	1	1
Total	4	2	13	9



Balance Sheet for Parent Company, Summary

SEK M	31/12 2012	31/12 2011
Assets		
Non-current assets		
Intangible assets		
Intellectual property	43	39
	43	39
Property, plant and equipment		
Buildings	3	2
Construction in progress	2	-
Equipment, tools, fixtures and fittings	8	4
	13	6
Long-term investments		
Interests in Group companies	724	743
Other securities held as non-current assets	0	0
Other non-current receivables	25	33
Deferred tax asset	20	22
	769	798
Total non-current assets	825	843
Current assets		
Current receivables		
Receivables from Group companies	716	842
Other receivables	95	73
Cash and bank balances	0	0
Total current assets	811	915
Total assets	1,636	1,758
Equity and liabilities		
Equity		
Restricted equity		
Share capital	251	251
Statutory reserve	47	47
	298	298
Non-restricted equity		
Share premium reserve	47	46
Retained earnings including net profit for the year	765	870
Total equity	812	916
	1,110	1,214
Untaxed reserves	227	179
Provisions		
Provisions for pensions and similar obligations	17	15
Deferred tax liability	0	1
	17	16
Non-current liabilities		
Debenture loan	28	28
Other liabilities	5	5
	33	33
Current liabilities		
Liabilities to credit institutes	55	122
Liabilities to Group companies	29	76
Other liabilities	165	118
	249	316
Total equity and liabilities	1,636	1,758
Pledged assets and contingent liabilities for Parent Company		
Pledged assets	447	447
Contingent liabilities	1,153	1,033