



29 April 2005

Report for the first quarter of 2005

First quarter

- Operation in Micro AB is sold off.
- Ford/Mazda dealer in Copenhagen – soon to be acquired.
- Net turnover amounted to SEK 2,727 M (2,631).
- Net profit amounted to SEK 8 M (45) and earnings per share to SEK 0.35 (1.75).
- Net profit for remaining operations amounted to SEK 53 M (52).

In a comment on the quarterly results, Bilia's Managing Director Jan Pettersson says: "It's gratifying that customer satisfaction has improved for the fourth consecutive quarter.

Earnings in the Service Business continue to improve as well. Lower margins on car sales put pressure on the Car Business during the quarter. Selling Micro will enable us to focus on our core business."

	Remaining operations		Micro		Group		Remaining operations	
	First quarter		First quarter		First quarter		April 04	Full year
	2005	2004	2005	2004	2005	2004	- March 05	2004
Net turnover, SEK M	2,696	2,597	31	34	2,727	2,631	11,691	11,592
Operating profit/loss, excl. items affecting comparability, SEK M ¹⁾	63	77	-8	-10	55	67	306	320
Operating margin, excl. items affecting comparability, %	2.3	3.0	-	-	2.0	2.6	2.6	2.8
Operating profit, SEK M	71	76	-63	-10	8	66	324	329
Operating margin, %	2.6	2.9	-	-	0.3	2.5	2.8	2.8
Profit before tax, excl. items affecting comparability, SEK M ¹⁾	62	73	-8	-10	54	63	287	298
Profit/loss before tax, SEK M	70	72	-63	-10	7	62	305	307
Net profit/loss, SEK M	53	52	-45	-7	8	45	228	227
Earnings per share, SEK ²⁾	2.30	2.00	-1.95	-0.25	0.35	1.75	9.70	9.40

¹⁾ Items affecting comparability are shown on page 3.

²⁾ The number of shares used in the calculation is shown in the table on page 9.

Notable events during 2005

- Bilia started selling Ford's model range in Fornebu, Oslo.
- Bilia started selling Kia's model range in a separate facility in Kista, Stockholm.
- All 37.7 million Series C shares were redeemed in January, and the share capital was reduced by SEK 377 M.
- A property in Mariestad was sold in February for a net profit of SEK 9 M.
- A letter of intent has been signed to acquire Scaniadam A/S, an authorised dealer for Ford and Mazda in Copenhagen. Their annual turnover is just over SEK 1,000 M, and new car sales total 4,000 cars per annum. The letter of intent includes a right for Bilia to buy an option to acquire Scaniadam's property portfolio at their carrying amounts within a five-year period. Acquisition of Scaniadam would permit coordination with Bilia's current Volvo and Renault operation in Copenhagen, and the merged company would be Denmark's biggest car dealer. A final agreement is expected to be announced at the end of May 2005.
- A property in Copenhagen was sold in April for a profit before tax of SEK 9 M. Only a small portion of the property has been let to external tenants. The profit will be recognised in the final accounts for the second quarter of 2005.
- Sale of operation in Micro AB. The sale is conditional on certain leases being transferred to the purchaser. The Bilia Group's quarterly accounts include earnings in Micro during period plus a calculation of the earnings effect of the sale. Micro reduces the Bilia Group's net profit for the quarter by SEK 45 M (-7).

Group review

The following comments and comparative figures pertain to remaining operations, i.e. excluding the sold operation in Micro. The comments on shareholders' equity apply to the entire Group, however.

First quarter 2005

Demand for new cars and service in Bilia's market areas was good on the whole, while demand for used cars continued to be weak.

Net turnover during the quarter amounted to SEK 2,696 M (2,597). Adjusted for exchange rate changes and comparable operations, net turnover decreased by SEK 30 M or 1 per cent. The decrease is mainly attributable to decreased sales of used cars.

Operating profit amounted to SEK 71 M (76). Items affecting comparability improved the profit by a net of SEK 8 M (-1). Lower margins in car sales, particularly in the Norwegian operation, resulted in lower earnings in the Car Business. The Service Business developed well during the quarter and earnings improved slightly, despite the fact that the quarter contained fewer working days than the same period last year.

The result of customer financing amounted to SEK 30 M (26). A change in an accounting principle, IAS 18 Revenue, has affected customer financing by SEK 5 M (4).

Items affecting comparability (see table on page 3) amounted to SEK 8 M (-1) during the quarter and consist of SEK 10 M in profit from the sale of a property in Mariestad and SEK -2 M in costs for disputes.

Net financial items amounted to an expense of SEK 1 M (expense: 4). This includes a profit share of SEK 4 M (-) from the indirect shareholding in Volvofinans.

Net profit amounted to SEK 53 M (52) and earnings per share to SEK 2.30 (2.00). The Bilia Group's net profit (including Micro) amounted to SEK 8 M (45) and earnings per share to SEK 0.35 (1.75). Exchange rate changes only affected the profit marginally.

Total assets increased during the quarter by SEK 202 M to SEK 4,901 M. The increase is attributable to increased stocks of new cars and valuation of financial instruments at fair value, in accordance with IAS 39.

The Group's shareholders' equity decreased during the quarter by SEK 224 M, amounting to SEK 1,266 M at the end of the quarter. The subordinated shares that were issued during 2004 were redeemed in January, which reduced shareholders' equity by SEK 377 M. Change of accounting principle, IAS 39, increased shareholders' equity by SEK 140 M.

Investments and disposals amounted to SEK 63 M (71). Replacement investments represented SEK 7 M (6), expansion investments SEK 7 M (6), environmental invest-

ments SEK 0 M (0) and investments in new construction and additions to properties SEK 4 M (8). Net investments in lease vehicles and finance leases amounted to SEK 45 M (51).

The number of employees declined during the quarter by 33, amounting to 2,946.

Cash flow from operating activities amounted to SEK -180 M (-19). The change compared with last year is mainly attributable to more new cars in stock and an extra tax payment of SEK 60 M as an effect of the utilisation of tax allocation reserves at the end of the year.

Net debt increased by SEK 611 M during the quarter, amounting to SEK 551 M. In addition to the impact on cash flow as mentioned above, net debt increased by SEK 377 M due to the redemption of subordinated shares during the quarter.

Changes in equity

Group, SEK M	First quarter		Full year 2004
	2005	2004	
Opening balance	1,490	1,293	1,293
Change of accounting principle RR 29	-	4	-18
Change of accounting principle IAS 39	140	-	-
Reduction/issue of Series C shares	-377	-	377
Dividend to shareholders	-	-	-116
Buy-back of shares	-	-	-234
Charge Series C shares	0	-	-3
Translation difference, etc.	5	3	-11
Net profit	8	45	202
Closing balance	1,266	1,345	1,490

Items affecting comparability

SEK M	Remaining operations		Micro		Group		Remaining operations	
	First quarter 2005	2004	First quarter 2005	2004	First quarter 2005	2004	April 04 - March 05	Full year 2004
Operating profit/loss excl. items affecting comparability	63	77	-8	-10	55	67	306	320
Items affecting comparability								
- Profit from sale of property	10	-	-	-	10	-	30	20
- Restructuring costs and other	-	-	-55	-	-55	-	-2	-2
- Disputes/KFAB	-2	-1	-	-	-2	-1	-10	-9
Operating profit/loss	71	76	-63	-10	8	66	324	329
Profit/loss before tax excl. items affecting comparability	62	73	-8	-10	54	63	287	298
Items affecting comparability								
- Profit from sale of property	10	-	-	-	10	-	30	20
- Restructuring costs and other	-	-	-55	-	-55	-	-2	-2
- Disputes/KFAB	-2	-1	-	-	-2	-1	-10	-9
Profit/loss before tax	70	72	-63	-10	7	62	305	307

Cars

No. of new cars	Deliveries				Order backlog 31 March	
	First quarter 2005	2004	April 04 - March 05	Full year 2004	2005	2004
Sweden	4,181	3,829	20,329	19,977	2,378	3,320
Norway	797	748	4,072	4,023	521	523
Denmark	273	232	1,675	1,634	188	249
Total	5,251	4,809	26,076	25,634	3,087	4,092

SEK M	Net turnover				Operating profit, operating margin					
	First quarter 2005	2004	April 04 - March 05	Full year 2004	First quarter 2005		April 04 - March 05		Full year 2004	
						%		%		
Sweden	2,030	1,988	8,832	8,790	49	2.4	48	2.4	229	228
Norway	504	444	2,114	2,054	1	0.2	13	2.8	34	46
Denmark	155	158	717	720	0	-0.2	1	0.9	1	2
Total	2,689	2,590	11,663	11,564	50	1.9	62	2.4	264	276

- **Lower earnings in Norway**
- **Service Business stable**

The market for new cars increased by 1 per cent in Sweden and 27 per cent in Denmark, while it decreased by 8 per cent in Norway. Demand for used cars continued to be weak.

Net turnover during the quarter amounted to SEK 2,689 M (2,590). Adjusted for exchange rate changes and comparable operations, net turnover decreased by 1 per cent or SEK 30 M. The decrease is mainly attributable to lower turnover from sales of used cars.

Operating profit for cars decreased by SEK 12 M, amounted to SEK 50 M. The decrease is mainly attributable to lower margins in car sales in Norway. The Service Business developed well and earnings improved slightly, despite the fact that the quarter contained fewer working days than the same period last year. The margins in used car sales declined due to large stocks, resulting in depressed prices. Special offers by Bilia aimed at reducing the stock level have also squeezed margins. The used car business reported earnings which were SEK 6 M lower than for the same quarter last year. The ratio of costs to turnover was marginally lower in comparison with the same quarter last year in both the Service and Car Businesses.

The operation in Sweden reported an operating profit of SEK 49 M (48). The improvement is attributable to the Service Business. The Car Business reported a profit on a level with last year's, despite the fact that considerably more new cars were delivered during the quarter. Margins decreased, especially in used car sales. The order backlog declined by 102 cars during the quarter, while it declined by 942 cars compared with last year. The operating margin amounted to 2.4 per cent, which was unchanged in comparison with the same quarter last year.

Operating profit in Bilia's Norwegian operation amounted to SEK 1 M (13). The Fornebu and Lilleström facilities were inaugurated during the year, which resulted in a combined charge on earnings of about SEK 3 M in extra market activities, removal costs and operating disruptions. The remaining discrepancy is attributable to lower margins in car sales. The tax increase on new cars at the turn of the year, combined with a special offer from the importer, resulted in reduced margins for the cars that were in stock at the turn of the year and were delivered during the quarter. The margins then normalised towards the end of the quarter. The Service Business reported a strong profit.

The Danish operation reported a profit that was SEK 1 M lower than last year. The decrease is attributable to the Service Business.

Cars - divided into Service and Car Businesses

SEK M	Net turnover ²⁾				Contribution ³⁾			
	First quarter 2005	2004	April 04 - March 05	Full year 2004	First quarter 2005	2004	April 04 - March 05	Full year 2004
Service Business ¹⁾	930	901	3,842	3,813	98	95	389	386
- margin, %					10.5	10.5	10.1	10.1
Car Business ¹⁾	1,863	1,794	8,277	8,208	12	24	97	109
- margin, %					0.7	1.3	1.2	1.3

1) Service includes workshop services, spare parts, accessories and petrol within the car operation. Micro's turnover and contribution are not included. The Car Business includes sales of new and used cars and customer financing.

2) Net turnover does not include eliminations for internal sales.

3) The contribution is charged with calculated costs. Joint costs for administration within each product area are not charged to the contribution.

- Lower margins in the Car Business
- Improved Service Business

The Service Business's sales decreased for comparable operations during the quarter by 2 per cent, due to the fact that the Easter holiday fell during the first quarter this year, as compared with during the second quarter last year. Sweden declined by 3 per cent, while Norway and Denmark increased marginally. Contribution and margin developed positively.

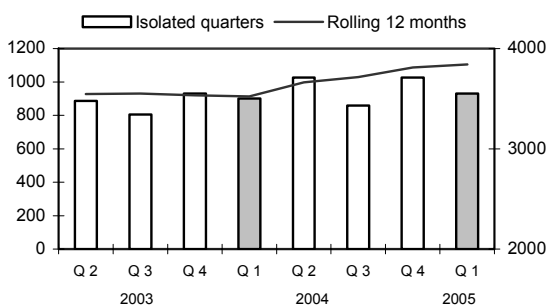
The Car Business's deliveries of new cars increased by 5 per cent during the quarter for comparable operations. Order bookings were slightly lower compared with deliveries during the quarter, as a result of which the order backlog decreased by 85 cars from the turn of

the year. Turnover in sales of used cars declined by 3 per cent. Stocks are at a high level in the industry, which is depressing prices and squeezing margins. The contribution declined during the quarter by SEK 12 M to SEK 12 M and the contribution margin by 0.6 percentage point to 0.7 per cent. The earnings decline is mainly attributable to lower margins in new car sales in Norway and lower margins in used car sales generally.

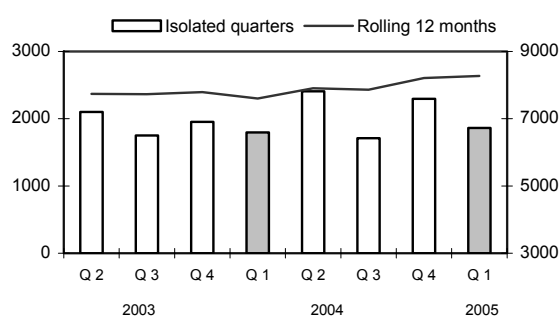
Bilia's Norwegian operation has had excessively large stocks of new and used cars, while the stock situation in Sweden and Denmark is satisfactory. Steps have been taken to reduce the stock level in Norway by mid-year.

The Car Business's net turnover and contribution have been adjusted in accordance with IAS 18 as from the first quarter of 2004.

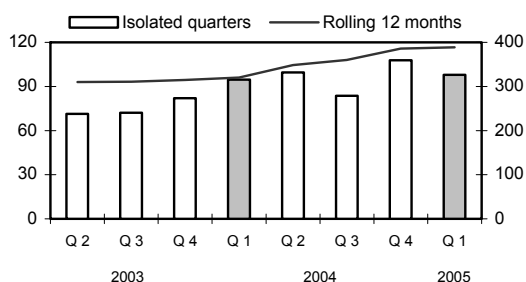
Service Business, Net Turnover, SEK M



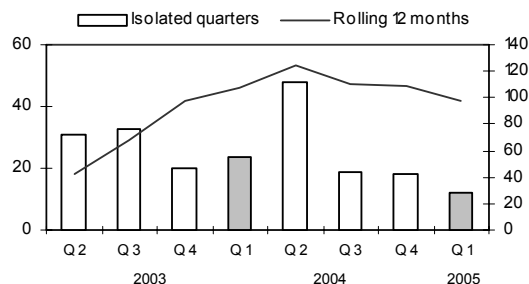
Car Business, Net Turnover, SEK M



Service Business, Contribution, SEK M



Car Business, Contribution, SEK M



Discontinuing operation, Micro

SEK M	Net turnover				Operating profit/loss, operating margin					
	First quarter 2005	2004	April 04 - March 05	Full year 2004	2005	%	2004	%	April 04 - March 05	Full year 2004
Operation	31	34	150	153	-8	-	-10	-	-32	-34
Discontinuation costs	-	-	-	-	-55	-	-	-	-55	-
Total	31	34	150	153	-63	-	-10	-	-87	-34

• Operation sold as of 1 May

On 25 April, Bilia signed an agreement regarding transfer of the operation in Micro AB. A prerequisite for the transfer is that certain leases can be transferred to the purchaser. The date of possession is 1 May 2005, which means that the profit for April will be included in the Bilia Group's profit for the second quarter. The operation has been running at a loss, so Bilia has guaranteed the purchaser financial assistance. The assistance is dependent on how the transferred operation develops over the next

few years and may vary between SEK 42 M and SEK 63 M. The quarterly accounts have been charged with a calculated earnings effect before tax of SEK 55 M.

Turnover declined by 8 per cent, chiefly due to the fact that the store in Jönköping was closed during the month of January. The results remained unsatisfactory, amounting to a loss of SEK 8 M (loss: 10). Costs were reduced by over SEK 1 M compared with last year.

Bilia Properties

SEK M	Net turnover				Operating profit, operating margin					
	First quarter 2005	2004	April 04 - March 05	Full year 2004	2005	%	2004	%	April 04 - March 05	Full year 2004
Sweden	37	38	154	155	21	55.6	22	56.6	84	85
Norway	14	12	48	46	5	34.0	3	30.8	14	12
Denmark	3	4	14	15	1	25.8	2	51.3	5	6
Other	1	0	2	1	0	-	0	-	1	1
Total	55	54	218	217	27	48.5	27	50.6	104	104

Net turnover during the year includes rental income from unowned properties in Sweden of SEK 3 M (3) and in Norway of SEK 8 M (7).

• Properties sold with a capital gain of SEK 18 M

Net turnover during the quarter is broken down into SEK 49 M (47) in rental income from Group companies and SEK 6 M (7) in external rental income. Operating profit amounted to SEK 27 M (27). Depreciation charged to earnings amounted to SEK 8 M (8). Yield during the past 12 months was around 21 per cent.

A property in Mariestad was sold during the quarter at a profit of SEK 9 M after tax. The property in Herlev in Copenhagen was sold in April at a profit before tax of SEK 9 M, which will be recognised in the final accounts for the second quarter of 2005.

The profit from the sale of the Mariestad property is not included in the above operating profit, but is recognised in the Group as an item affecting comparability.

Parent Company

Bilia AB does not conduct any business operations of its own. The company is responsible for the Group's management, strategic planning, financing, public relations and business development.

The Parent Company's expenses amounted to SEK 15 M (13). This includes costs of SEK 2 M (1) for disputes.

Annual General Meeting in April

The dividend was set at SEK 7.50 per share. The Board of Directors was authorised to buy back the company's own shares, no more than 2,312,915 shares.

Miscellaneous

Accounting principles

As of 1 January 2005, Bilia is applying the accounting rules set forth in the International Financial Reporting Standards (IFRS, formerly named IAS) in its consolidated accounts. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting.

The transition rules for IFRS call for a comparison, which means that the accounts for 2004 are also presented according to IFRS in the reporting for 2005. The effect of the transition to IFRS for the full year 2004, plus a description of the changed accounting principles in connection with the transition to IFRS 2004, were presented

in the annual report for 2004. The effect of the transition for the first quarter of 2004 is described on pages 13 and 14.

IAS 39 Financial Instruments and IFRS 5 Non-current Assets Held for Sale and Discontinued Operations shall be applied as from 1 January 2005 and is exempted from the requirement of recalculation of the comparison year. The effect of the transition to IAS 39 affects the Bilia Group's shareholders' equity at 1 Jan. 2005 by SEK 140 M and the profit for the first quarter of 2005 by SEK 4 M after tax.

As from 1 January 2005, the Parent Company Bilia AB will follow RR 32 Accounting for legal entities. RR 32 mainly provides that IAS/IFRS should be applied with certain exceptions. The application of RR 32 in Bilia AB has no effect on the company's earnings and financial position.

Otherwise the same accounting principles and calculation methods are applied as in the most recent annual report.

The effects of the transition to IFRS may change during 2005, owing to the fact that the standards are still undergoing revision.

Audit

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

Next report

A report for the second quarter of 2005 will be published on 4 August 2005.

Göteborg, 29 April 2005

Jan Pettersson
Managing Director and CEO

For further information, please contact Jan Pettersson, Managing Director and CEO, or Gunnar Blomkvist, CFO, telephone +46 31 709 55 00.

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

INFORMATION ON LINES OF BUSINESS

First quarter

SEK M	Cars		Properties		Other ¹⁾		Discontinuing operation, Micro		Eliminations		Total	
	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
NET TURNOVER												
External net turnover	2,689	2,590	6	7	1	0	31	34				
Internal net turnover	0	0	49	47	-	-	0	0	-49	-47		
Total net turnover	2,689	2,590	55	54	1	0	31	34	-49	-47	2,727	2,631
PROFIT/LOSS												
Operating profit/loss per line of business	50	62	27	27	9	0	-63	-10	0	0	23	79
Unallocated expenses ²⁾											-15	-13
Operating profit											8	66
OTHER DISCLOSURES												
Assets, non-interest-bearing	3,113	3,143	783	741	7	13	85	67			3,988	3,964
Assets, interest-bearing	920	470	3	7	299	307	1	2			1,223	786
Unallocated assets, non-interest-bearing ²⁾											34	38
Unallocated assets, interest-bearing ²⁾											766	719
Eliminations									-1,024	-922	-1,024	-922
Total assets											4,987	4,585
Liabilities, non-interest-bearing	1,238	2,201	153	163	6	8	79	31			1,476	2,403
Liabilities, interest-bearing	2,249	1,022	231	184	3	0	39	35			2,522	1,241
Unallocated liabilities, non-interest-bearing ²⁾											24	85
Unallocated liabilities, interest-bearing ²⁾											605	341
Eliminations									360	515	360	515
Total liabilities											4,987	4,585
Investments, net	24	22	3	15	-	-	1	4				
Depreciation	29	26	9	8	0	0	1	1				
Unallocated depreciation ²⁾											0	0
Total depreciation											39	35
Expenses beyond depreciation not matched by disbursements ³⁾	4	5	4	0	-	-	0	0				

INFORMATION ON GEOGRAPHICAL AREAS

First quarter

SEK M	Net turnover		Assets		Investments	
	2005	2004	2005	2004	2005	2004
Sweden	2,034	1,993	3,091	2,878	20	28
Norway	505	445	1,404	1,156	8	8
Denmark	156	159	301	303	0	1
Other ⁴⁾	1	0	1,127	1,105	0	1
Discontinuing operation, Micro	31	34	86	69	1	4
Eliminations	0	0	-1,022	-926	-	-
Total Bilvia Group	2,727	2,631	4,987	4,585	29	42

- 1) Other companies and items affecting comparability. Operating profit includes items affecting comparability of SEK 10 M (-).
- 2) Pertains to the Parent Company.
- 3) Items not affecting cash.
- 4) Includes the Parent Company.

Consolidated Profit and Loss Accounts

SEK M	Remaining operations First quarter		Micro First quarter		Group First quarter		Remaining operations	
	2005	2004	2005	2004	2005	2004	April 04 - March 05	Full year 2004
Net turnover	2,696	2,597	31	34	2,727	2,631	11,691	11,592
Costs of goods sold	2,225	2,129	17	21	2,242	2,150	9,720	9,624
Gross profit	471	468	14	13	485	481	1,971	1,968
Selling expenses	310	299	19	19	329	318	1,270	1,259
Administrative expenses	100	94	3	4	103	98	404	398
Other operating income	10	2	0	0	10	2	32	24
Other operating expenses	0	1	55	0	55	1	5	6
Operating profit/loss ¹⁾	71	76	-63	-10	8	66	324	329
Result from other shares and participations	4	0	-	-	4	0	7	3
Interest income and similar profit/loss items	1	2	-	-	1	2	8	9
Interest expense and similar profit/loss items	6	6	0	0	6	6	34	34
Profit/loss before tax	70	72	-63	-10	7	62	305	307
Tax	-17	-20	18	3	1	-17	-77	-80
Net profit/loss	53	52	-45	-7	8	45	228	227
Earnings per share, SEK	2.30	2.00	-1.95	-0.25	0.35	1.75	10.15	9.85
Number of shares at end of period, '000 ²⁾	23,129	25,699	23,129	25,699	23,129	25,699	23,129	23,129
Earnings per share, SEK	2.30	2.00	-1.95	0.25	0.35	1.75	9.70	9.40
Weighted average number of shares, '000 ²⁾	23,129	25,699	23,129	25,699	23,129	25,699	23,129	24,139

1) Amortisation/depreciation acc. to plan by asset class								
- Software	1	0	-	-	1	-	7	6
- Goodwill	-	0	-	-	-	0	1	1
- Land and buildings	8	8	-	-	8	8	35	35
- Equipment, tools, fixtures and fittings	15	14	1	1	16	15	58	57
- Lease vehicles	33	12	-	-	33	12	98	77
Total	57	34	1	1	58	35	199	176

²⁾ Subordinated shares of Series C, 37,716,448, have not been included in the calculation of the number of shares outstanding for the full year 2004, since they do not entitle the bearer to a share of the company's profit.

Operating profit/loss per line of business

SEK M	First quarter		April 04	Full year
	2005	2004	- March 05	2004
Cars	50	62	264	276
Properties	27	27	104	104
Parent Company	-15	-13	-65	-65
Other, eliminations	9	0	21	14
Remaining operations	71	76	324	329
Micro	-63	-10	-87	-34
Operating profit	8	66	237	295

Consolidated Balance Sheets

SEK M	Remaining operations			Micro		Group	
	31.03.05	31.12.04	31.03.04	31.03.05	31.03.04	31.03.05	31.03.04
Assets							
Fixed assets							
Intangible assets							
Software	26	27	16	2	3	28	19
Goodwill	62	62	1	-	-	62	1
	88	89	17	2	3	90	20
Tangible assets							
Land and buildings	685	687	688	-	-	685	688
Construction in progress	56	53	19	-	-	56	19
Equipment, tools, fixtures and fittings	235	245	237	15	0	250	237
Lease vehicles ¹⁾	1,400	1,372	1,253	-	-	1,400	1,253
	2,376	2,357	2,197	15	0	2,391	2,197
Financial assets							
Other securities held as fixed assets	164	16	7	-	-	164	7
Deferred taxes recoverable	58	57	32	15	13	73	45
Other long-term receivables ²⁾	63	39	273	-	-	63	273
	285	112	312	15	13	300	325
Total fixed assets	2,749	2,558	2,526	32	16	2,781	2,542
Current assets							
Stocks, goods for resale	1,493	1,316	1,263	44	41	1,537	1,304
Current receivables							
Interest-bearing receivables ²⁾	37	131	142	-	-	37	142
Other receivables	540	565	490	9	10	549	500
	577	696	632	9	10	586	642
Cash and bank balances ²⁾	82	129	95	1	2	83	97
Total current assets	2,152	2,141	1,990	54	53	2,206	2,043
Total assets	4,901	4,699	4,516	86	69	4,987	4,585
Shareholders' equity and liabilities							
Restricted equity							
Share capital	231	608	514	10	10	231	514
Restricted reserves	88	85	347	4	3	102	360
	319	693	861	14	13	333	874
Non-restricted equity							
Non-restricted reserves / retained earnings	925	556	426	0	0	925	426
Net profit/loss	54	227	52	-46	-7	8	45
	979	783	478	-46	-7	933	471
Total shareholders' equity	1,298	1,476	1,339	-32	6	1,266	1,345
Long-term liabilities							
Liabilities to credit institutions ³⁾	580	206	326	-	-	580	326
Other Liabilities ⁴⁾	1,152	1,105	1,035	1	0	1,153	1,035
	1,732	1,311	1,361	1	0	1,733	1,361
Current liabilities							
Liabilities to credit institutions ³⁾	140	25	158	39	35	179	193
Other liabilities	1,731	1,887	1,658	78	28	1,809	1,686
	1,871	1,912	1,816	117	63	1,988	1,879
Total shareholders' equity and liabilities	4,901	4,699	4,516	86	69	4,987	4,585
Assets							
¹⁾ Of which interest-bearing	241	240	238	-	-	241	238
²⁾ Interest-bearing	182	299	510	1	2	183	512
Liabilities							
³⁾ Interest-bearing	720	231	484	39	35	759	519
⁴⁾ Of which interest-bearing	254	248	187	-	-	254	187

Consolidated Cash Flow Statements

SEK M	Remaining operations		Micro		Group		Remaining operations	
	First quarter	2004	First quarter	2004	First quarter	2004	April 04 - March 05	Full year 2004
	2005		2005		2005			
OPERATIONS								
Operating activities								
Operating profit/loss	71	76	-63	-10	8	66	324	329
Financial items	-1	-4	0	0	-1	-4	-19	-22
Depreciation	57	34	1	1	58	35	199	176
Other items not affecting cash	-4	-11	52	0	48	-11	22	15
Tax paid	-101	-19	10	5	-91	-14	-159	-77
Change in operating receivables	42	-74	0	0	42	-74	-41	-157
Change in stocks	-166	-47	0	-2	-166	-49	-179	-60
Change in operating liabilities	-78	26	-3	0	-81	26	-65	39
Cash flow from operating activities	-180	-19	-3	-6	-183	-25	82	243
Investing activities								
Investments and disposals in fixed assets	-63	-71	-1	-4	-64	-75	-265	-273
Interest-bearing receivables	-44	31	-	-	-44	31	316	391
Acquisitions and disposals	14	-	-	-	14	-	-94	-108
Cash flow from investing activities	-93	-40	-1	-4	-94	-44	-43	10
Remaining after net investments	-273	-59	-4	-10	-277	-69	39	253
Financing activities								
Change in own bank loans and other loans	491	46	4	9	495	55	293	-152
New issue subordinated shares	-	-	-	-	-	-	377	377
Reduction subordinated shares	-377	-	-	-	-377	-	-377	-
Dividend to shareholders and buy-back of own shares	-	-	-	-	-	-	-349	-349
Cash flow from financing activities	114	46	4	9	118	55	-56	-124
Change in liquid assets, excl. translation differences	-159	-13	0	-1	-159	-14	-17	129
Exchange rate difference in liquid assets	1	0	-	-	1	0	-1	-2
Change in liquid assets	-158	-13	0	-1	-158	-14	-18	127
Liquid assets at beginning of year	246	119	1	3	247	122	246	119
Liquid assets at end of period	88	106	1	2	89	108	228	246

Quarterly review

Quarter

Group	2/03*	3/03*	4/03*	Recalculated acc. to IFRS				1/05
				1/04	2/04	3/04	4/04	
Net turnover, SEK M	5,148	2,534	2,816	2,631	3,364	2,529	3,221	2,727
Operating profit, excluding items affecting comparability, SEK M	144	75	62	67	88	64	73	55
Operating margin, excluding items affecting comparability, %	2.8	2.9	2.2	2.6	2.6	2.5	2.3	2.0
Operating profit, SEK M	130	73	57	66	82	82	65	8
Operating margin, %	2.5	2.9	2.0	2.5	2.4	3.3	2.0	0.3
Profit before tax, SEK M	107	67	53	62	79	75	56	7
Net profit, SEK M	82	48	36	45	56	60	41	8
Rate of capital turnover, times ¹⁾	2.75	2.77	2.67	2.55	2.42	2.70	2.62	2.49
Return on capital employed, % ¹⁾	11.6	12.0	12.0	12.2	12.3	15.6	15.8	12.7
Return on shareholders' equity, % ¹⁾	14.3	14.8	15.1	14.5	13.9	1.61 ⁵⁾	16,6 ⁵⁾	14.0
Net debt / Shareholders' equity, times	0.87	-0.08	-0.06	-0.03	0.39	0.25 ⁵⁾	0.31 ⁵⁾	0.47
Equity/assets ratio, %	23	36	39	29	22	23 ⁵⁾	23 ⁵⁾	25
Data per share (SEK) ²⁾								
Net profit	3.20	1.85	1.40	1.75	2.25 ³⁾	2.55 ⁴⁾	1.80 ⁴⁾	0.35 ⁴⁾
Shareholders' equity	63	50	52	52	45 ⁴⁾	48 ⁴⁾⁵⁾	48 ⁴⁾⁵⁾	55 ⁴⁾

¹⁾ Rolling 12 months.

²⁾ Based on number of shares outstanding, 25,699,061.

³⁾ Based on weighted average number of shares outstanding during second quarter: 24,622,491.

⁴⁾ Based on number of shares outstanding at 30 June 2004, 30 Sept. 2004, 31 Dec. 2004 and 31 March 2005: 23,129,155.

⁵⁾ Calculated excluding new issue of 37.7 million subordinated shares of Series C.

* The most important adjustment, according to IFRS, which has the greatest impact on the key figures for 2003 is IAS 18, Revenue. An adjustment according to IFRS would require an examination of all new car sales with guaranteed residual values during the period 2001 – 2003. Sales value, gross profit, lease payment, depreciation and leased assets are affected by an adjustment to IFRS.

Comments on specification of transition to IFRS

As from 2005, Bilia is applying the accounting rules set forth in the International Financial Reporting Standards (IFRS) in its consolidated accounts.

The effect of the transition to IFRS for the full year 2004, plus a description of the differences between previous accounting principles and IFRS, are presented in the annual report for 2004 on pages 43 and 44.

The effects of the transition for the first quarter of 2004 are presented below.

The new accounting rules have affected the net profit by SEK -2 M and are found in IAS 18 Revenue. More cars with guaranteed residual values compared with terminated old agreements regarding guaranteed residual values were delivered during the period, which increased the value of the assets by SEK 35 M to SEK 1,015 M.

Profit and Loss Accounts first quarter 2004

SEK M	Acc. to previous GAAP	IAS 16	IAS 18	IAS 37	IFRS 3	Acc. to IFRS
Operating profit/loss	69	0	-3			66
Net financial items	-4					-4
Profit before tax	65	0	-3			62
Tax	-18	0	1			-17
Net profit/loss	47	0	-2			45

Balance Sheets at 31 March 2004

SEK M	Acc. to previous GAAP	IAS 16	IAS 18	IAS 37	IFRS 3	Acc. to IFRS
Assets						
Intangible assets	20					20
Tangible assets	1,182	0	1,015			2,197
Financial assets	311	0	14			325
Other assets	2,043					2,043
Total assets	3,556	0	1,029			4,585
Shareholders' equity and liabilities						
Restricted reserves	874					874
Non-restricted reserves	505	0	-34	0		471
Interest-bearing liabilities	706					706
Non-interest-bearing liabilities	1,471		1,063	0		2,534
Total shareholders' equity and liabilities	3,556	0	1,029	0		4,585

Change in shareholders' equity 31 March 2004

SEK M	Acc. to previous GAAP	IAS 16	IAS 18	IAS 37	IFRS 3	Acc. to IFRS
Amount at beginning of year	1,326		-33	0		1,293
Change of accounting principle RR 29	4					4
Translation difference, etc.	2		1			3
Net profit/loss	47	0	-2			45
Amount at end of period	1,379	0	-34	0		1,345

Change in shareholders' equity 31 Dec. 2004

SEK M	Acc. to previous GAAP	IAS 16	IAS 18	IAS 37	IFRS 3	Acc. to IFRS
Amount at beginning of year	1,326		-33	0		1,293
Change of accounting principle RR 29	-18					-18
Issue of Series C shares	377					377
Dividend to shareholders	-116					-116
Buy-back of shares	-234					-234
Charge Series C shares	-3					-3
Translation difference, etc.	-11					-11
Net profit/loss	207	0	-8		3	202
Amount at end of period	1,528	0	-41	0	3	1,490