



SETTLEMENT REACHED WITH TAX AUTHORITY IN HAMBURG

At the beginning of 2004, the tax authority in Hamburg, Germany, disallowed deduction of a portion of the interest expenses during the period 1994 - 1999 in Bilia's former subsidiary Bohus Verwaltung BV. The claim from the tax authority amounted to approximately SEK 19 million

A settlement has been reached with the tax authority in Hamburg entailing a total cost for Bilia of SEK 0.9 million. This amount will be charged to Bilia's profit for the fourth quarter of 2006.

Göteborg, 27 December 2006

Bilia AB (publ)

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