

# Mekonomen Group

## Interim report January - June 2015

26 August 2015

### SUMMARY FOR THE SECOND QUARTER, 1 April - 30 June 2015<sup>1)</sup>

- Revenue increased 10 per cent to SEK 1,527 M (1,387). Adjusted for currency effects and calculated on the comparable number of workdays, revenue rose 10 per cent.
- EBITA rose 7 per cent to SEK 224 M (210) and the EBITA margin amounted to 15 per cent (15).
- EBIT increased 8 per cent to SEK 197 M (182) and the EBIT margin totalled 13 per cent (13).
- The gross margin amounted to 54.7 per cent (55.2).
- Earnings per share, before and after dilution, amounted to SEK 3.74 (3.74).
- Cash flow from operating activities amounted to SEK 137 M (192), of which discontinued operations comprised negative SEK 45 M (neg: 15).
- Net debt at the end of the period amounted to SEK 1,841 M (1,848), compared with SEK 1,629 M at the end of the year.
- Magnus Johansson took up his position as President and CEO on 15 June.

SUMMARY OF THE GROUP'S EARNINGS TREND SEK M	Apr - Jun 2015			Apr - Jun 2014			Jan - Jun 2015			Jan - Jun 2014			12 months July - June		Full-year 2014	
			Change %			Change %			Change %			Change %				
Revenue	1 527	1 387	10	2 909	2 677	9	5 622	5 390								
Operating profit before amortisation and impairment of intangible fixed assets (EBITA)	224	210	7	393	366	7	791	763								
EBIT	197	182	8	339	309	10	669	639								
Profit after financial items	188	181	4	332	304	9	648	620								
Profit after tax, continuing operations	138	137	0	243	229	6	480	466								
Profit after tax, discontinued operations	-1	-27	-97	-1	-51	-98	-290	-340								
Profit after tax	137	110	24	242	178	36	191	127								
Earnings per share, continuing operations, SEK	3,74	3,74	0	6,62	6,24	6	13,18	12,80								
Earnings per share, discontinued operations, SEK	-0,02	-0,75	-97	-0,03	-1,42	-98	-8,07	-9,46								
Earnings per share, SEK	3,72	2,99	25	6,59	4,82	37	5,12	3,34								
EBITA margin, %	15	15		14	14		14	14								
EBIT margin, %	13	13		12	12		12	12								

The amounts in the table above pertain to continuing operations, except for Profit after tax and Earnings per share. Comparative figures have been restated. For further information about discontinued operations, see page 16.

<sup>1)</sup> During the first quarter of 2015, the two remaining stores in Denmark were discontinued and, in the 2015 interim reports, the Danish store operation is presented according to the rules for discontinued operations in IFRS 5. All comparative periods have been restated. The Danish store operation was previously included in the MECA segment. With the exception of cash flow and net debt, all amounts pertain to continuing operations.

## CEO's comments

### **Favourable performance in the second quarter**

**The Mekonomen Group reported continued favourable growth and improved earnings for the second quarter of 2015. All of the Group companies: MECA, Mekonomen Nordic and Sørensen og Balchen posted a stronger EBIT compared with the year-earlier period.**

During the second quarter of 2015, revenue for the Group increased 10 per cent to SEK 1,527 M (1,387) and EBIT rose 8 per cent to SEK 197 M (182). The posted EBIT was the highest ever for a single quarter. The performance of Mekonomen Nordic was particularly positive, where EBIT increased 20 per cent to SEK 124 M (104). MECA's export business to Denmark has reduced earnings for the second quarter.

Revenue for the first six months rose 9 per cent to SEK 2,909 M (2,677) and the EBIT increased 10 per cent to SEK 339 M (309). The market was slightly stronger than in the preceding year and we expect a stable market development for the remainder of 2015. MECA's export business to Denmark and currency effects are estimated to have a negative impact on earnings during the third quarter.

In the second quarter, growth was 13 per cent in MECA, 9 per cent in Mekonomen Nordic and 7 per cent in Sørensen og Balchen. Sales to our affiliated workshops were healthy and posted growth of 15 per cent for the quarter and we recorded a continued healthy sales increase for our proprietary ProMeister brand, which accounted for about 12 per cent of spare-parts sales in the Group.

I took up my position as President and CEO on 15 June and I look confidently forward toward building on and further developing the Mekonomen Group's strong position.

We have an increased focus on cost-efficiency and, moving forward, we will combine this to an increasing degree with investments in infrastructure and the organisation to continue to lead development in our industry with the aim of creating competitive advantages. We will also in greater occurrence realise Group synergies to drive efficiency and growth. Ongoing projects will be complemented by new initiatives in key areas. For example is such an area a new Group-wide e-commerce platform for B2B and B2C.

The Mekonomen Group's growth builds on our ability to maintain a leading position, drive development in our industry and continuously strengthen the offering to our customers. Innovation should permeate all parts of the Group and maintain strong focus on customer-oriented business development aimed at creating growth, by strengthening our position with existing and new customers.

Magnus Johansson  
President and CEO

## GROUP REVENUE

TOTAL REVENUE DISTRIBUTION CONTINUING OPERATIONS, SEK M	Apr - Jun 2015	Apr - Jun 2014	Change %	Jan - Jun 2015	Jan - Jun 2014	Change %	12 months July - June	Full-year 2014
MECA	473	419	13	916	830	10	1 766	1 679
Mekonomen Nordic	761	700	9	1 425	1 334	7	2 783	2 692
Sørensen og Balchen	201	188	7	391	360	9	744	712
Other	55	47	16	103	86	19	197	180
<b>Total net sales</b>	<b>1 489</b>	<b>1 354</b>	<b>10</b>	<b>2 835</b>	<b>2 609</b>	<b>9</b>	<b>5 488</b>	<b>5 262</b>
Other operating revenue	38	33	16	74	68	10	134	128
<b>GROUP REVENUE</b>	<b>1 527</b>	<b>1 387</b>	<b>10</b>	<b>2 909</b>	<b>2 677</b>	<b>9</b>	<b>5 622</b>	<b>5 390</b>

GROWTH PER CENT	April - June 2015				January - June 2015			
	MECA	Mekonomen Nordic	Sørensen og Balchen	Group	MECA	Mekonomen Nordic	Sørensen og Balchen	Group
Underlying increase	12,8	8,0	8,1	9,9	10,1	6,3	8,9	8,3
Currency effects	-0,8	-0,5	-1,6	-0,7	-0,1	0,0	-0,1	-0,1
Effect, workdays	0,9	1,2	0,0	0,9	0,5	0,6	0,0	0,4
<b>Nominal increase</b>	<b>12,9</b>	<b>8,7</b>	<b>6,5</b>	<b>10,1</b>	<b>10,4</b>	<b>6,8</b>	<b>8,8</b>	<b>8,7</b>

### 1 April - 30 June 2015

Revenue for continuing operations rose 10 per cent to SEK 1,527 M (1,387). Adjusted for negative currency effects of SEK 10 M, revenue rose 11 per cent. In the second quarter, the number of workdays was one day higher in Sweden, unchanged in Norway and Finland and one day less in Denmark compared with the year-earlier period. Calculated on comparable workdays and adjusted for currency effects, revenue increased 10 per cent. Sales in comparable units rose 7 per cent.

### 1 January - 30 June 2015

Revenue for continuing operations rose 9 per cent to SEK 2,909 M (2,677). Adjusted for negative currency effects of SEK 2 M, revenue increased 9 per cent. In the first six months, the number of workdays was one day higher in Sweden, unchanged in Norway and Finland and one day less in Denmark compared with the preceding year. Calculated on comparable workdays and adjusted for currency effects, revenue increased 8 per cent. Sales in comparable units rose 6 per cent.

## GROUP PERFORMANCE

### 1 April - 30 June 2015

*Operating profit before amortisation and impairment of intangible fixed assets, EBITA*

EBITA for continuing operations increased to SEK 224 M (210) and the EBITA margin amounted to 15 per cent (15). Earnings were negatively impacted by non-recurring effects from acquisition costs of SEK 1 M (0). Currency effects had a positive impact of SEK 1 M (neg: 2) on earnings.

### *EBIT*

EBIT for continuing operations increased to SEK 197 M (182) and the EBIT margin amounted to 13 per cent (13). Earnings were negatively impacted by non-recurring effects from acquisition costs of SEK 1 M (0). Currency effects had a positive impact of SEK 1 M (neg: 2) on earnings.

### *Other earnings*

Profit after net financial items for continuing operations increased to SEK 188 M (181). Net interest expense amounted to SEK 7 M (expense: 9) and other financial items to an expense of SEK 3 M (income: 8). Other financial items were positively impacted in the comparative period by non-recurring effects of SEK 5 M. There was no impact on this quarter. Profit after tax for continuing operations increased to SEK 138 M (137), for discontinued operations to a loss of SEK 1 M (loss: 27) and totaled SEK 137 M (110). Earnings per share for continuing operations, before and after dilution, amounted to SEK 3.74 (3.74), for discontinued operations to a negative SEK 0.02 (neg: 0.75) and totaled SEK 3.72 (2.99).

## **1 January - 30 June 2015**

### *Operating profit before amortisation and impairment of intangible fixed assets, EBITA*

EBITA for continuing operations increased to SEK 393 M (366) and the EBITA margin amounted to 14 per cent (14). Earnings were negatively impacted by non-recurring effects of SEK 1 M (10). Currency effects had a positive impact of SEK 6 M (0) on earnings.

### *EBIT*

EBIT for continuing operations increased to SEK 339 M (309) and the EBIT margin amounted to 12 per cent (12). Earnings were negatively impacted by non-recurring effects of SEK 1 M (10). Currency effects had a positive impact of SEK 6 M (0) on earnings.

### *Other earnings*

Profit after net financial items for continuing operations increased to SEK 332 M (304). Net interest expense amounted to SEK 14 M (expense: 18) and other financial items to SEK 7 M (13). Other financial items were positively impacted by non-recurring effects of SEK 7 M (10). Profit after tax for continuing operations increased to SEK 243 M (229), for discontinued operations to a loss of SEK 1 M (loss: 51) and totalled SEK 242 M (178). Earnings per share for continuing operations, before and after dilution, amounted to SEK 6.62 (6.24), for discontinued operations to a negative SEK 0.03 (neg: 1.42) and totalled SEK 6.59 (4.82).

## **FINANCIAL POSITION AND CASH FLOW**

Cash flow from operating activities amounted to SEK 137 M (192) for the second quarter, of which discontinued operations comprised a negative SEK 45 M (neg: 15) and SEK 89 M (122) for the half year, of which a negative SEK 129 M (neg: 51) pertained to discontinued operations. Tax paid amounted to SEK 81 M (77) for the second quarter and to SEK 153 M (126) for the first six months. Cash and cash equivalents amounted to SEK 259 M (272) compared with SEK 258 M at the end of the year. The equity/assets ratio was 38 per cent (39). Long-term interest-bearing liabilities were SEK 1,540 M (1,636) compared with SEK 1,404 M at year-end. Current interest-bearing liabilities amounted to SEK 572 M (496) compared with SEK 495 M at the end of the year. During the six months, long-term interest-bearing liabilities rose primarily due to higher utilisation of credit facilities in the amount of SEK 200 M.

The net debt amounted to SEK 1,841 M (1,848), compared with SEK 1,629 M at the end of the year, an increase of SEK 212 M since year-end and up SEK 148 M during the second quarter. The increase in the net debt is largely attributable to dividends of SEK 259 M, of which SEK 251 M were dividends to the Parent Company's shareholders, which were paid during the second quarter. In addition, loans were amortised by SEK 34 M during the quarter and by SEK 68 M during the six-month period.

## **INVESTMENTS**

During the second quarter, investments in fixed assets amounted to SEK 24 M (17) and to SEK 52 M (30) during the half year. Depreciation and impairment of tangible fixed assets in continuing operations amounted to SEK 15 M (14) for the second quarter and to SEK 29 M (32) for the six-month period. During the quarter, company and business acquisitions amounted to SEK 8 M (21) and to SEK 13 M (32) for the half year. Acquired assets totalled SEK 9 M (8) and assumed liabilities SEK 4 M (2) for the first six months. Apart from goodwill, which amounted to SEK 7 M (16), intangible surplus values of SEK 0 M (4) were identified pertaining to brands and SEK 0 M (1) pertaining to capitalised expenditure for IT systems and SEK 1 M (5) for customer relations. Deferred tax liabilities attributable to acquired intangible fixed assets totalled SEK 0 M (0). Acquired minority shares amounted to SEK 6 M (1) for the second quarter and SEK 8 M (2) MSEK for the six-month period. Divested minority shares were SEK 0 M (0) for the second quarter and SEK 0 M (0) for the half year.

## **ACQUISITIONS AND START-UPS**

### **Second quarter**

Mekonomen Nordic acquired minority shares in two stores for a minor amount. In Sweden, two workshops in Härnösand and Ljusdal were also acquired. MECA acquired a partner store and workshop in Köping. Sørensen og Balchen acquired all minority shares in DinDel Norway.

## Earlier in the year

Mekonomen Nordic acquired minority shares in three stores for a minor amount. In Sweden, two partner stores were also acquired in Kiruna and Linköping, as well as a workshop on Lidingö in Stockholm. Mekonomen Nordic also acquired a partner store in Iceland.

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 for continuing operations at the end of the period was 351 (350), of which 262 (252) were proprietary stores. The number of affiliated workshops totalled 2,175 (2,353). See distribution in the table on page 15.

## EMPLOYEES

The number of employees in continuing operations at the end of the period was 2,152 (2,133) and the average number of employees during the period was 2,126 (2,124). See distribution in the table on page 16.

## PERFORMANCE BY SEGMENT

### SEGMENT MECA

MECA <sup>1)</sup>	Apr - Jun	Apr - Jun		Jan - Jun	Jan - Jun		12 months	Full-year
SEK M	2015	2014	Change %	2015	2014	Change %	July - June	2014
Net sales, external	473	419	13	916	830	10	1 766	1 679
Operating profit before amortisation and impairment of intangible fixed assets (EBITA)	80	76	5	151	123	23	296	268
EBIT <sup>2)</sup>	77	73	5	145	117	24	271	243
EBITA margin, %	17	18		16	15		16	16
EBIT margin, % <sup>2)</sup>	16	17		16	14		15	14
Number of stores/of which own				87 / 73	87 / 71			87 / 72
Number of Mekonomen Service Centres				145	210			195
Number of MekoPartner				80	187			153
Number of MECA Car Service				638	601			628

<sup>1)</sup> From 1 January 2015, the operation in Denmark is presented as a discontinued operation and therefore not included in the MECA segment. Comparative figures have been restated. For further information about discontinued operations, see page 16.

<sup>2)</sup> Acquisition-related items attributable to Mekonomen AB's direct acquisition of MECA have been reallocated from the MECA segment to "Other." Comparative figures have been restated. Amortisation of acquired intangible assets for the quarter amounting to SEK 15 M (15), for the period to SEK 30 M (30) and for the full-year 2014 to SEK 60 M have been reallocated from EBIT for MECA to EBIT for "Other."

Major marketing and sales efforts have been implemented for the export business to Denmark, which have affected MECA's result negatively with SEK 10 M during the second quarter and with SEK 12 M for the first half year in 2015. A strong sales increase to MECA Car Service workshops was key to MECA's increase in sales for the quarter and the first six months. The sales trend for ProMeister also contributed to higher volumes for the quarter and the first six months. Acquisition-related expenses of SEK 1 M pertaining to Opus Equipment negatively impacted MECA's EBIT for the quarter. The consolidation of Opus Equipment under MECA applies from 1 July 2015. The Group's first MECA+ workshop opened in Södertälje in June. MECA is implementing an investment in the service and repair of motorhomes, which will be launched in September.

The currency effect on net sales against the NOK was negative SEK 3 M during the second quarter and negative SEK 1 M for the half year. The number of workdays was one higher in Sweden but unchanged in Norway compared with the second quarter and first six months for the preceding year. The underlying net sales increased 13 per cent during the second quarter and rose 10 per cent for the six-month period. MECA's EBIT increased to SEK 77 M (73) for the quarter. EBITA and EBIT were negatively impacted by personnel-related non-recurring costs of SEK 9 M in the comparative, year-earlier, six-month period. There was no impact in the comparative period for the second quarter.

## SEGMENT MEKONOMEN NORDIC

MEKONOMEN NORDIC SEK M	Apr - Jun 2015	Apr - Jun 2014	Change %	Jan - Jun 2015	Jan - Jun 2014	Change %	12 months July - June	Full-year 2014
Net sales, external	761	700	9	1 425	1 334	7	2 783	2 692
Operating profit before amortisation and impairment of intangible fixed assets (EBITA)	129	108	19	215	203	6	433	422
EBIT	124	104	20	206	192	8	416	401
EBITA margin, %	16	15		15	15		15	15
EBIT margin, %	16	14		14	14		14	14
Number of stores/of which own				192 / 154	191 / 147			192 / 151
Number of Mekonomen Service Centres				825	876			863
Number of MekoPartner				218	203			202

The sales trend for ProMeister contributed to higher volumes to other workshops during the second quarter, primarily for Mekonomen Sweden. At Mekonomen Norway, the key growth driver was sales to Mekonomen Service Centre. Implemented quality initiatives in Sweden led to a slightly lower number of affiliated workshops, which negatively impacted sales to the affiliated workshops customer group. During the quarter, sales to consumers increased in both Sweden and Norway, mainly as a result of successful campaigns. Extra marketing initiatives negatively impacted earnings for the quarter, however this was compensated for by the favourable sales trend. As announced earlier this year, actions were taken to strengthen earnings at Mekonomen Nordic with an estimated full-year impact of SEK 15 M, and these have had an impact during the second quarter.

The underlying net sales rose 8 per cent during the second quarter and 6 per cent for the first six months. The currency effect on net sales against the NOK was negative SEK 3 M during the second quarter and negative SEK 1 M for the half year. For the second quarter and the first six months, the number of working days was one day higher in Sweden but unchanged in Norway and Finland compared with the preceding year. In the comparative period for the first six months, EBIT was negatively impacted by non-recurring costs of SEK 1 M. There was no impact in the comparative period for the quarter. Mekonomen Sweden's EBIT margin for the second quarter was 16 per cent (15) and 14 per cent (15) for the half year. EBIT for the quarter amounted to SEK 83 M (70) and to SEK 140 M (132) for the half year. Net sales rose to SEK 499 M (449) for the second quarter and increased to SEK 931 M (864) for the half year. Mekonomen Norway's EBIT margin for the second quarter was 21 per cent (16) and 19 per cent (17) for the half year. EBIT for the quarter amounted to SEK 48 M (34) and SEK 81 M (67) for the half year. Net sales rose to SEK 222 M (205) for the second quarter and increased to SEK 423 M (394) for the half year.

## SEGMENT SØRENSEN OG BALCHEN

SØRENSEN OG BALCHEN SEK M	Apr - Jun 2015	Apr - Jun 2014	Change %	Jan - Jun 2015	Jan - Jun 2014	Change %	12 months July - June	Full-year 2014
Net sales, external	201	188	7	391	360	9	744	712
Operating profit before amortisation and impairment of intangible fixed assets (EBITA)	35	34	5	61	58	4	112	109
EBIT <sup>1)</sup>	35	34	5	60	58	4	112	109
EBITA margin, %	17	18		15	16		15	15
EBIT margin, % <sup>1)</sup>	17	18		15	16		15	15
Number of stores/of which own				71 / 34	71 / 33			71 / 34
Number of BilXtra				236	246			232

<sup>1)</sup> Acquisition-related items attributable to Mekonomen AB's direct acquisitions have been reallocated from Segment Sørensen og Balchen to "Other." Comparative figures have been restated. Amortisation of acquired intangible assets for the quarter amounting to SEK 4 M (4), for the period to SEK 9 M (9) and for the full-year 2014 to SEK 18 M have been reallocated from EBIT for Sørensen og Balchen to EBIT for "Other."

Sørensen og Balchen posted a favourable trend for sales to affiliated BilXtra workshops and also reported a favourable trend for sales of accessories for the quarter and the first six months. However, this had a negative impact on the gross margin. Sørensen og Balchen reported a favourable trend for sales to consumers during the first six months. The underlying net sales rose 8 per cent during the second quarter and 9 per cent for the first six months. The currency effect in net sales against the NOK was negative SEK 3 M during the second quarter and negative SEK 1 M for the half year. EBIT and EBITA increased to SEK 35 M (34) for the second quarter.

## SALES GROWTH PER CUSTOMER GROUP

GROWTH PER CUSTOMER GROUP CONTINUING OPERATIONS, PER CENT	April - June 2015			January - June 2015		
	Affiliated workshops	Consumers	Other workshops	Affiliated workshops	Consumers	Other workshops
Nominal growth	15,2	3,3	8,3	13,4	4,1	8,0
Currency adjusted growth	15,9	3,8	9,1	13,4	4,2	8,0

## 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.

WORKDAYS BY COUNTRY	Q1			Q2			Q3			Q4			Full-year		
	2015	2014	2013	2015	2014	2013	2015	2014	2013	2015	2014	2013	2015	2014	2013
Sweden	62	62	62	60	59	60	66	66	66	63	62	62	251	249	250
Norway	63	63	61	59	59	60	66	66	66	63	62	62	251	250	249
Denmark	63	63	61	58	59	60	66	66	66	63	62	62	250	250	249
Finland	62	62	62	60	60	61	66	66	66	63	62	61	251	250	250

## SIGNIFICANT RISKS AND UNCERTAINTIES

The company conducted a review and assessment of operating and financial risks and uncertainties in accordance with the 2014 Annual Report and found that no significant risks have occurred since then. After the end of the period the NOK has weakened. For the effect of exchange rate fluctuations on profit before tax, refer to the 2014 Annual Report, page 31. For the complete report, refer to the 2014 Annual Report for the risks that affect the Group.

## PARENT COMPANY AND “OTHER”

The Parent Company’s operations comprise mainly Group Management and finance management. The Parent Company’s earnings after net financial items amounted to an expense of SEK 24 M (expense: 8) for the second quarter and an expense of SEK 26 M (expense: 17) for the half year excluding share dividends of SEK 421 M (888) from subsidiaries for the half year. The average number of employees was 15 (15). Mekonomen AB sold goods and services to Group companies for a total of SEK 9 M (10) during the quarter and for SEK 18 M (20) for the half year.

“Other” comprises Mekonomen AB, M by Mekonomen, the purchasing company in Hong Kong, Meko Service Nordic, the joint venture in Poland, as well as Group-wide functions and eliminations.

The operating loss for “Other” amounted to SEK 39 M (loss: 28) for the quarter and a loss of SEK 72 M (loss: 58) for the half year. A reallocation of acquisition-related items attributable to Mekonomen AB’s direct acquisitions has been made from the segments MECA and Sørensen og Balchen to “Other.” Comparative figures have been restated. Current acquisition-related items pertain to amortisation of acquired assets of SEK 19 M (expense 19) for the quarter and SEK 39 M (expense 39) for the half year pertaining to the acquisitions of MECA and Sørensen og Balchen, which were reversed to EBIT for these segments and reported instead in EBIT for “Other.” EBIT for the Group was not impacted by this reallocation.

## CHANGES IN GROUP MANAGEMENT

Mekonomen’s Board of Directors has appointed Magnus Johansson as the company’s new President and CEO, effective 15 June 2015. He succeeds Håkan Lundstedt, who has moved on to another external assignment. Gunilla Spongh, Head of International Business, has during the period notified her intent to step down from her position at the Mekonomen Group for another external assignment. David Larsson joined the Group Management from 1 September 2015 and will serve as Acting Managing Director for the Group company Mekonomen Nordic.

## EVENTS AFTER THE END OF THE PERIOD

Through our subsidiary MECA, the Mekonomen Group has acquired Opus Equipment AB, a comprehensive supplier of workshop equipment to car workshops and vehicle inspection companies. The supply of workshop equipment will be a new business within the Mekonomen Group who will offer workshop equipment with assembly and maintenance service to existing and new customers in the automotive aftermarket. The purchase price on a debt-free basis amounts to SEK 51 M and was completed 1 July 2015. The company will be consolidated into the Mekonomen Group as of 1 July 2015.

A decision was taken to implement changes in the Group Management. As of 1 September 2015, the Group Management comprises the following individuals:

Magnus Johansson, President and CEO of Mekonomen AB  
 Marcus Larsson, Executive Vice President, Mekonomen AB  
 Morten Birkeland, Managing Director, Sørensen og Balchen  
 Per Hedblom, CFO, Mekonomen AB.  
 David Larsson, Acting Managing Director, Mekonomen Nordic  
 Pehr Oscarson, Managing Director, MECA

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

### ACCOUNTING POLICIES

The Mekonomen Group 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.

New standards or interpretations that became effective on 1 January 2015 have not had any material effect on the Mekonomen Group’s financial reporting for this 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
Interim report	January - September 2015	11 November 2015
Year-end report	January - December 2015	17 February 2016
Interim report	January - March 2016	11 May 2016
Interim report	January - June 2016	26 August 2016
Interim report	January - September 2016	11 November 2016
Year-end report	January - December 2016	15 February 2017

### THE MEKONOMEN GROUP IN BRIEF

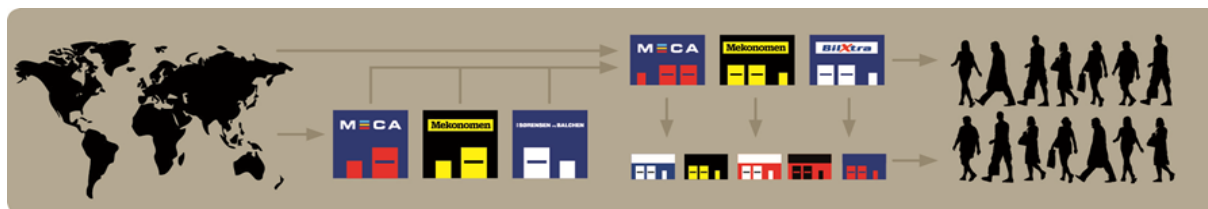
Mekonomen makes CarLife easier, through a broad and easily accessible range of affordable and innovative solutions and products for consumers and companies. We are the leading car service chain in the Nordic region, with proprietary wholesale operations with approximately 350 stores and more than 2,100 affiliated workshops under the Mekonomen Group brands.

#### Business concept

With clear and innovative concepts, high quality and an efficient logistics chain, the Mekonomen Group offers solutions to consumers and companies for an easier and more affordable CarLife.

#### Business flow

Approximately 160 suppliers account for 80 per cent of the supply of goods. The three Group companies are responsible for their individual wholesale operations. The approximately 350 stores deliver to more than 2,100 affiliated workshops and to other workshops and consumers. The Group also has about 30 proprietary workshops.





## **BOARD OF DIRECTORS' ASSURANCE**

The Board of Directors and CEO affirm that this interim report presents a true and fair view of the Parent Company's and the Group's operations, financial position and earnings and describes the significant risks and uncertainties facing the Parent Company and the companies included in the Group.

Stockholm, 26 August 2015

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

Kenneth Bengtsson  
Chairman

Caroline Berg  
Executive Vice Chairman

Kenny Bräck  
Board member

Malin Persson  
Board member

Helena Skåntorp  
Board member

Christer Åberg  
Board member

Magnus Johansson  
President and CEO

This interim report has not been audited.

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

The information was submitted for publication on 26 August 2015 at 7:30 a.m.

The interim report will be published in Swedish and English. The Swedish version represents the original version and has been translated into English.

## CONSOLIDATED FINANCIAL REPORTS

CONDENSED CONSOLIDATED INCOME STATEMENT, SEK M	Apr - Jun 2015	Apr - Jun 2014	Jan - Jun 2015	Jan - Jun 2014	12 months July - June	Full-year 2014
<b>Continuing operations:</b>						
Net sales	1 489	1 354	2 835	2 609	5 488	5 262
Other operating revenue	38	33	74	68	134	128
<b>Total revenue</b>	<b>1 527</b>	<b>1 387</b>	<b>2 909</b>	<b>2 677</b>	<b>5 622</b>	<b>5 390</b>
Goods for resale	-675	-606	-1 274	-1 163	-2 448	-2 337
Other external costs	-291	-261	-577	-524	-1 097	-1 044
Personnel expenses	-322	-296	-635	-591	-1 228	-1 185
Depreciation and impairment of tangible fixed assets	-15	-14	-29	-32	-58	-61
<b>Operating profit before amortisation and impairment of intangible fixed assets (EBITA)</b>	<b>224</b>	<b>210</b>	<b>393</b>	<b>366</b>	<b>791</b>	<b>763</b>
Amortisation and impairment of intangible fixed assets	-27	-28	-54	-57	-121	-124
<b>EBIT</b>	<b>197</b>	<b>182</b>	<b>339</b>	<b>309</b>	<b>669</b>	<b>639</b>
Interest income	1	1	3	3	6	6
Interest expenses	-8	-10	-17	-21	-37	-41
Other financial items	-3	8	7	13	10	16
<b>Profit after financial items</b>	<b>188</b>	<b>181</b>	<b>332</b>	<b>304</b>	<b>648</b>	<b>620</b>
Tax	-50	-44	-89	-75	-168	-153
<b>PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS</b>	<b>138</b>	<b>137</b>	<b>243</b>	<b>229</b>	<b>480</b>	<b>466</b>
<b>Discontinued operations:</b>						
Loss for the period from discontinued operations <sup>1)</sup>	-1	-27	-1	-51	-290	-340
<b>PROFIT FOR THE PERIOD</b>	<b>137</b>	<b>110</b>	<b>242</b>	<b>178</b>	<b>191</b>	<b>127</b>
<b>Net profit for the period attributable to:</b>						
Parent Company's shareholders	134	107	237	173	184	120
Minority owners	3	3	5	5	7	7
<b>PROFIT FOR THE PERIOD</b>	<b>137</b>	<b>110</b>	<b>242</b>	<b>178</b>	<b>191</b>	<b>127</b>
<b>Earnings per share before and after dilution, SEK</b>						
- Earnings from continuing operations	3,74	3,74	6,62	6,24	13,18	12,80
- Loss from discontinued operations	-0,02	-0,75	-0,03	-1,42	-8,07	-9,46
Profit for the period	3,72	2,99	6,59	4,82	5,12	3,34

<sup>1)</sup> The loss from discontinued operations of SEK 1 M in the second quarter of 2015 pertained to tax expenses. The full-year 2014 includes non-recurring costs resulting from structural changes in Denmark totalling SEK 280 M in the earnings from discontinued operations. For further information about discontinued operations, see page 16.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, SEK M	Apr - Jun 2015	Apr - Jun 2014	Jan - Jun 2015	Jan - Jun 2014	12 months July - June	Full-year 2014
<b>Profit for the period</b>	<b>137</b>	<b>110</b>	<b>242</b>	<b>178</b>	<b>191</b>	<b>127</b>
<b>Other comprehensive income:</b>						
<i>Components that will not be reclassified to earnings for the year:</i>						
- Actuarial gains and losses	-	-	-	-	-7	-7
<i>Components that may later be reclassified to earnings for the year:</i>						
- Exchange-rate differences from translation of foreign subsidiaries <sup>1)</sup>	-26	13	-1	42	-64	-20
- Cash-flow hedges <sup>2)</sup>	2	0	1	-1	2	0
<b>Other comprehensive income/loss, net after tax</b>	<b>-24</b>	<b>13</b>	<b>0</b>	<b>41</b>	<b>-68</b>	<b>-27</b>
<b>COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>113</b>	<b>123</b>	<b>241</b>	<b>219</b>	<b>122</b>	<b>100</b>
<b>Comprehensive income for the period attributable to:</b>						
Parent Company's shareholders	110	120	236	214	116	93
Minority owners	3	3	5	5	7	7
<b>COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>113</b>	<b>123</b>	<b>241</b>	<b>219</b>	<b>122</b>	<b>100</b>
<b>Total comprehensive income attributable to Parent Company shareholders derived from:</b>						
Continuing operations	111	144	238	262	413	437
Discontinued operations	-1	-24	-2	-48	-298	-344

<sup>1)</sup> As at 30 June 2015, the accumulated translation reserve pertaining to Denmark was a negative SEK 16 M. The translation reserve pertaining to Denmark will be reclassified in shareholders' equity via the income statement in the current amount at the time when the Danish company is liquidated. For further information about discontinued operations, see page 16.

<sup>2)</sup> Holding of financial interest rate derivatives for hedging purposes, valued according to level 2 defined in IFRS 13.

CONDENSED CONSOLIDATED BALANCE SHEET SEK M	30 June 2015	30 June 2014	31 December 2014
<b>ASSETS<sup>1)</sup></b>			
Intangible fixed assets	2 788	2 893	2 813
Tangible fixed assets	189	240	201
Financial fixed assets	57	72	65
Deferred tax assets	54	25	55
Goods for resale	1 181	1 241	1 223
Current receivables	864	838	769
Cash and cash equivalents	259	272	258
<b>TOTAL ASSETS</b>	<b>5 392</b>	<b>5 580</b>	<b>5 384</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES<sup>1)</sup></b>			
Shareholders' equity	2 053	2 192	2 080
Long-term liabilities, interest-bearing	1 540	1 636	1 404
Deferred tax liabilities	156	201	168
Long-term liabilities, non-interest-bearing	3	1	3
Current liabilities, interest-bearing	572	496	495
Current liabilities, non-interest-bearing	1 068	1 055	1 234
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>5 392</b>	<b>5 580</b>	<b>5 384</b>

<sup>1)</sup> The carrying amounts of financial assets and liabilities are measured at either fair value or a reasonable approximation of fair value.

CONDENSED CONSOLIDATED CHANGES IN SHAREHOLDERS' EQUITY, SEK M	30 June 2015	30 June 2014	31 December 2014
Shareholders' equity at the beginning of the year	2 080	2 240	2 240
Comprehensive income for the period	241	219	100
Acquisition/divestment of non-controlling interests	-7	-5	2
Dividend to shareholders	-261	-262	-262
<b>SHAREHOLDERS' EQUITY AT THE END OF THE PERIOD</b>	<b>2 053</b>	<b>2 192</b>	<b>2 080</b>
of which, non-controlling interests	10	7	14

CONDENSED CONSOLIDATED CASH-FLOW STATEMENT, SEK M	Apr - Jun 2015	Apr - Jun 2014	Jan - Jun 2015	Jan - Jun 2014	12 months July - June	Full-year 2014
<b>Operating activities</b>						
<i>Cash flow from operating activities before changes in working capital, excluding tax paid</i>	183	203	335	354	692	711
Tax paid	-81	-77	-153	-126	-187	-160
<b>Cash flow from operating activities before changes in working capital</b>	<b>102</b>	<b>126</b>	<b>181</b>	<b>228</b>	<b>505</b>	<b>552</b>
Cash flow from changes in working capital:						
Changes in inventory	49	8	30	-3	-26	-59
Changes in receivables	22	55	-75	-98	-38	-62
Changes in liabilities	-36	4	-47	-4	-60	-17
<i>Increase (-)/decrease (+) restricted working capital</i>	35	67	-92	-106	-124	-138
<b>Cash flow from operating activities</b>	<b>137</b>	<b>192</b>	<b>89</b>	<b>122</b>	<b>381</b>	<b>413</b>
<b>Cash flow from investing activities</b>	<b>-25</b>	<b>-36</b>	<b>-44</b>	<b>-60</b>	<b>-104</b>	<b>-121</b>
<b>Cash flow from financing activities</b>	<b>-234</b>	<b>-175</b>	<b>-52</b>	<b>-78</b>	<b>-284</b>	<b>-309</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>-122</b>	<b>-19</b>	<b>-7</b>	<b>-16</b>	<b>-7</b>	<b>-17</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>380</b>	<b>287</b>	<b>258</b>	<b>279</b>	<b>272</b>	<b>279</b>
Exchange-rate difference in cash and cash equivalents	1	4	7	10	-7	-4
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>259</b>	<b>272</b>	<b>259</b>	<b>272</b>	<b>259</b>	<b>258</b>

**INFORMATION ABOUT FINANCIAL INSTRUMENTS RECOGNISED AT FAIR VALUE IN THE BALANCE SHEET**

The financial instruments that were measured at fair value in the balance sheet are shown below. This was done by dividing the values in three levels, which are described in the 2014 Annual Report, Note 12. All of Mekonomen's financial instruments are included in Level 2.

The methods and assumptions mostly used to establish the fair value of the financial instruments shown in the table below are described in the 2014 Annual Report, Note 12. The types of financial instruments contained in the interim report are the same as those in the 2014 Annual Report.

CONSOLIDATED DERIVATIVE INSTRUMENTS MEASURED AT FAIR VALUE IN THE BALANCE SHEET, SEK M	30 June 2015	30 June 2014
<b>FINANCIAL ASSETS</b>		
Derivatives: Currency swaps	2	-
Interest-rate swaps	-	-
<b>TOTAL</b>	<b>2</b>	<b>-</b>
<b>FINANCIAL LIABILITIES</b>		
Derivatives: Currency swaps	-	-
Interest-rate swaps	0	3
<b>TOTAL</b>	<b>0</b>	<b>3</b>

GROUP'S FINANCIAL ASSETS AND LIABILITIES BY MEASUREMENT CATEGORY 30 June 2015 SEK M	Derivative instruments	Loan and accounts receivable	Other financial liabilities	Total carrying amount	Fair value	Non-financial assets & liabilities	Total Balance sheet summary
<b>FINANCIAL ASSETS</b>							
Financial fixed assets	-	55	-	55	55	2	57
Accounts receivable	-	584	-	584	584	-	584
Other current receivables	2	-	-	2	2	278	280
Cash and cash equivalents	-	259	-	259	259	-	259
<b>TOTAL</b>	<b>2</b>	<b>898</b>	<b>0</b>	<b>900</b>	<b>900</b>	<b>280</b>	<b>1 180</b>
<b>FINANCIAL LIABILITIES</b>							
Long-term liabilities, interest-bearing	0	-	1 539	1 540	1 540	-	1 540
Current liabilities, interest-bearing	-	-	572	572	572	-	572
Accounts payable	-	-	494	494	494	-	494
Other current liabilities	-	-	-	-	-	574	574
<b>TOTAL</b>	<b>0</b>	<b>-</b>	<b>2 605</b>	<b>2 605</b>	<b>2 605</b>	<b>574</b>	<b>3 179</b>

QUARTERLY DATA, CONTINUING OPERATIONS, SEGMENT	2015			2014				2013				
	Q2	Q1	FY	Q4	Q3	Q2	Q1	FY	Q4	Q3	Q2	Q1
<b>NET SALES, SEK M<sup>1)</sup></b>												
MECA <sup>2)</sup>	473	444	1 679	435	414	419	411	1 599	401	382	424	394
Mekonomen Nordic	761	664	2 692	685	671	700	634	2 656	673	645	728	609
Sørensen og Balchen	201	191	712	176	176	188	171	701	159	174	195	174
Other <sup>3)</sup>	55	48	180	50	45	47	39	172	45	42	48	38
<b>GROUP</b>	<b>1 489</b>	<b>1 346</b>	<b>5 262</b>	<b>1 347</b>	<b>1 306</b>	<b>1 354</b>	<b>1 255</b>	<b>5 129</b>	<b>1 280</b>	<b>1 243</b>	<b>1 395</b>	<b>1 215</b>
<b>EBITA, SEK M</b>												
MECA <sup>2)</sup>	80	71	268	72	73	76	47	213	42	57	63	51
Mekonomen Nordic	129	86	422	97	121	108	95	390	80	107	119	83
Sørensen og Balchen	35	25	109	22	29	34	24	99	24	27	30	19
Other <sup>3)</sup>	-20	-13	-36	-8	-10	-9	-10	-19	0	-3	-5	-11
<b>GROUP</b>	<b>224</b>	<b>169</b>	<b>763</b>	<b>184</b>	<b>214</b>	<b>210</b>	<b>156</b>	<b>683</b>	<b>146</b>	<b>188</b>	<b>207</b>	<b>142</b>
<b>EBIT, SEK M</b>												
MECA <sup>2) 4)</sup>	77	68	243	57	69	73	44	202	40	54	60	48
Mekonomen Nordic	124	82	401	93	117	104	88	323	31	101	112	79
Sørensen og Balchen <sup>4)</sup>	35	25	109	22	29	34	24	99	24	27	30	19
Other <sup>3)</sup>	-39	-33	-114	-27	-29	-28	-29	-97	-19	-22	-24	-32
<b>GROUP</b>	<b>197</b>	<b>142</b>	<b>639</b>	<b>145</b>	<b>186</b>	<b>182</b>	<b>126</b>	<b>527</b>	<b>75</b>	<b>159</b>	<b>178</b>	<b>115</b>
<b>INVESTMENTS, SEK M<sup>5)</sup></b>												
MECA <sup>2)</sup>	2	8	20	5	6	5	4	16	8	1	5	2
Mekonomen Nordic	19	18	44	20	6	11	7	28	3	4	12	9
Sørensen og Balchen	1	1	4	1	0	1	1	2	0	-	1	1
Other <sup>3)</sup>	2	0	2	0	1	0	1	3	1	-	2	0
<b>GROUP</b>	<b>24</b>	<b>28</b>	<b>70</b>	<b>27</b>	<b>14</b>	<b>17</b>	<b>13</b>	<b>49</b>	<b>12</b>	<b>5</b>	<b>20</b>	<b>12</b>
<b>EBITA MARGIN, %</b>												
MECA <sup>2)</sup>	17	16	16	16	18	18	11	13	11	15	15	13
Mekonomen Nordic	16	13	15	14	17	15	14	14	12	17	16	14
Sørensen og Balchen	17	13	15	12	16	18	14	14	15	15	15	11
<b>GROUP</b>	<b>15</b>	<b>12</b>	<b>14</b>	<b>13</b>	<b>16</b>	<b>15</b>	<b>12</b>	<b>13</b>	<b>11</b>	<b>15</b>	<b>15</b>	<b>11</b>
<b>EBIT MARGIN, %</b>												
MECA <sup>2) 4)</sup>	16	15	14	13	17	17	11	13	10	14	14	12
Mekonomen Nordic	16	12	14	13	17	14	13	12	5	15	15	13
Sørensen og Balchen <sup>4)</sup>	17	13	15	12	16	18	14	14	15	15	15	11
<b>GROUP</b>	<b>13</b>	<b>10</b>	<b>12</b>	<b>11</b>	<b>14</b>	<b>13</b>	<b>10</b>	<b>10</b>	<b>6</b>	<b>13</b>	<b>13</b>	<b>9</b>

<sup>1)</sup> Net sales for each segment are from external customers.

<sup>2)</sup> The operation in Denmark is presented from 1 January 2015 as a discontinued operation and therefore not included in the MECA segment. Comparative figures have been restated. For further information about discontinued operations, see page 16. EBITA for the second quarter 2014 and the full year 2014 have been positively affected of SEK 11 M due to allocation of costs for IT-systems regarding the discontinued Danish operation. Impairment of intangible fixed assets have had a corresponding negative effect and EBIT was therefore neutral.

<sup>3)</sup> "Other" comprises the Parent Company Mekonomen AB (publ), M by Mekonomen, the purchasing company in Hong Kong, Meko Service Nordic, as well as Group-wide functions and eliminations. Mekonomen AB's operations mainly comprise Group Management and finance management.

<sup>4)</sup> Acquisition-related items attributable to Mekonomen AB's direct acquisitions have been reallocated from Segment Sørensen og Balchen to "Other." Comparative figures have been restated. Current acquisition-related items pertain to amortisation of acquired intangible assets pertaining to the acquisitions of MECA and Sørensen og Balchen, which were reversed to EBIT for these segments and reported instead in EBIT for "Other." Group EBIT is unchanged.

<sup>5)</sup> Investments do not include company and business combinations.

QUARTERLY DATA, CONTINUING OPERATIONS, SEK M	2015			2014				2013				
	Q2	Q1	FY	Q4	Q3	Q2	Q1	FY	Q4	Q3	Q2	Q1
Revenue	1 527	1 382	5 390	1 373	1 340	1 387	1 290	5 251	1 318	1 269	1 422	1 245
EBITA	224	169	763	184	214	210	156	683	146	188	207	142
EBIT	197	142	639	145	186	182	126	527	75	159	178	115
Net financial items	-9	2	-19	-3	-12	-1	-4	-39	-2	-15	-6	-15
Profit after financial items	188	144	620	142	174	181	123	489	73	144	172	99
Tax	-50	-39	-153	-40	-38	-44	-31	-129	-18	-38	-46	-27
Profit for the period	138	105	466	102	135	137	92	360	55	106	127	72
EBITA margin, %	15	12	14	13	16	15	12	13	11	15	15	11
EBIT margin, %	13	10	12	11	14	13	10	10	6	13	13	9
Earnings per share, continuing operations, SEK	3,74	2,88	12,80	2,87	3,69	3,74	2,50	9,81	1,57	2,84	3,43	1,97
Earnings per share, discontinued operations, SEK	-0,02	-0,01	-9,46	-7,55	-0,49	-0,75	-0,67	-1,25	-0,69	-0,18	-0,19	-0,20
Earnings per share, SEK	3,72	2,87	3,34	-4,68	3,20	2,99	1,83	8,56	0,88	2,67	3,24	1,77
Shareholders' equity per share, SEK	56,9	61,0	57,5	57,5	65,0	60,9	64,6	62,1	62,1	61,4	60,4	64,0
Cash flow per share, SEK <sup>1)</sup>	3,8	-1,3	11,5	5,0	3,2	5,4	-2,0	15,5	4,8	3,0	7,3	0,4
Return on equity, % <sup>2)</sup>	21,9	21,3	20,6	20,6	18,3	17,2	16,6	15,7	15,7	-	-	-

<sup>1)</sup> The key figures are calculated including discontinued operations for each quarter.

<sup>2)</sup> The key figures for return on shareholders' equity are calculated on a rolling 12-month basis for continuing operations for each quarter. Return on shareholders' equity, quarters 1-3 2013 was not restated for continuing operations. For further information about discontinued operations, see page 16.

KEY FIGURES	Apr - Jun 2015	Apr - Jun 2014	Jan - Jun 2015	Jan - Jun 2014	12 months July - June	Full-year 2014
Return on equity, % <sup>1)</sup>	-	-	21,9	17,2	21,9	20,6
Return on total capital, % <sup>1)</sup>	-	-	12,4	10,3	12,4	11,9
Return on capital employed, % <sup>1)</sup>	-	-	16,2	13,3	16,2	15,6
Equity/assets ratio, %	-	-	38,1	39,3	-	38,6
Gross margin, continuing operations, %	54,7	55,2	55,0	55,4	55,4	55,6
EBITA margin, continuing operations, %	14,7	15,1	13,5	13,7	14,1	14,2
EBIT margin, continuing operations, %	12,9	13,1	11,7	11,5	11,9	11,9
EBITDA, continuing operations, SEK M	239	224	423	398	849	824
EBITDA margin, continuing operations, %	15,7	16,1	14,5	14,9	15,1	15,3
Earnings per share, continuing operations, SEK	3,74	3,74	6,62	6,24	13,18	12,80
Earnings per share, discontinued operations, SEK	-0,02	-0,75	-0,03	-1,42	-8,07	-9,46
Earnings per share, SEK	3,72	2,99	6,59	4,82	5,12	3,34
Shareholders' equity per share, SEK	-	-	56,9	60,9	-	57,5
Cash flow per share, SEK	3,8	5,4	2,5	3,4	10,6	11,5
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	35 901 487	35 901 487	35 901 487

<sup>1)</sup> The key figures for return on equity/capital employed/total capital are calculated on a rolling 12-month basis for the January-June period and pertain to continuing operations. The balance sheet was not restated for discontinued operations. For further information about discontinued operations, see page 16.

NUMBER OF STORES AND WORKSHOPS	MECA <sup>1)</sup> 30 June		Mekonomen Nordic 30 June		Sørensen og Balchen 30 June		Other 30 June		Group total 30 June	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
<b>Number of stores</b>										
Proprietary stores	73	71	154	147	34	33	1	1	262	252
Partner stores	14	16	38	44	37	38	-	-	89	98
<b>Total</b>	<b>87</b>	<b>87</b>	<b>192</b>	<b>191</b>	<b>71</b>	<b>71</b>	<b>1</b>	<b>1</b>	<b>351</b>	<b>350</b>
<b>Number of workshops<sup>1)</sup></b>										
Mekonomen Service Centres	145	210	825	876	-	-	17	16	987	1 102
MekoPartner	80	187	218	203	-	-	-	-	298	390
Speedy	-	-	-	-	-	-	16	14	16	14
BilXtra	-	-	-	-	236	246	-	-	236	246
MECA Car Service	638	601	-	-	-	-	-	-	638	601
<b>Total</b>	<b>863</b>	<b>998</b>	<b>1 043</b>	<b>1 079</b>	<b>236</b>	<b>246</b>	<b>33</b>	<b>30</b>	<b>2 175</b>	<b>2 353</b>

<sup>1)</sup> From 1 January 2015, the operation in Denmark is presented as a discontinued operation and the stores are no longer part of the MECA segment. Comparative figures have been restated. With respect to workshops, they will remain affiliated to the Mekonomen Group concept. MECA sells directly to these workshops in Denmark. For further information about discontinued operations, see page 16.

AVERAGE NUMBER OF EMPLOYEES, CONTINUING OPERATIONS	Jan - Jun 2015	Jan - Jun 2014
MECA <sup>1)</sup>	603	617
Mekonomen Nordic	1 080	1 085
Sørensen og Balchen	258	253
Other <sup>2)</sup>	186	169
<b>Total</b>	<b>2 126</b>	<b>2 124</b>

<sup>1)</sup> From 1 January 2015, the operation in Denmark is presented as a discontinued operation and therefore not included in the MECA segment. Comparative figures have been restated. For further information about discontinued operations, see below.

<sup>2)</sup> "Other" comprises Mekonomen AB, M by Mekonomen, the purchasing company in Hong Kong, Meko Service Nordic, Mekonomen Group Inköp AB (from June 2015) as well as Group-wide functions and eliminations.

## DISCONTINUED OPERATIONS

A decision on comprehensive structural changes and repositioning of the Group's Danish operations was taken in December 2014. All of the stores, which are also local warehouses and the Danish head office are being closed. The franchise workshops are being retained and these now receive their deliveries of spare parts directly from the central warehouse in Sweden, meaning efficient logistics without intermediaries in the distribution chain.

During March 2015, the remaining two stores in Denmark were discontinued and from the first quarter of 2015, the Danish store operation is presented according to the rules for discontinued operations in IFRS 5. All comparative periods have been restated. The Danish store operation was previously included in the MECA segment.

In the consolidated income statement, the discontinued store operations are recognised as an item under "Discontinued operations." This means that the discontinued operation has been excluded from all income statement items in the consolidated income statement and that only net earnings from the discontinued operation have been stated on the line "Earnings from discontinued operations." Cash flow from discontinued operations is included in the consolidated cash-flow statement and is recognised separately below. The consolidated balance sheet has not been restated.

As at 30 June 2015, the accumulated translation reserve pertaining to Denmark was a negative SEK 16 M. The translation reserve pertaining to Denmark will be reclassified in shareholders' equity via the income statement in the current amount at the time when the Danish company is liquidated.

Separate financial information pertaining to discontinued operation in Denmark is presented below.

PROFIT/LOSS FOR THE PERIOD AND OTHER COMPREHENSIVE INCOME FROM DISCONTINUED OPERATIONS, SEK M	Apr - Jun 2015	Apr - Jun 2014	Jan - Jun 2015	Jan - Jun 2014	12 months July - June	Full-year 2014
Revenue	0	147	36	298	271	534
Expenses	0	-174	-36	-349	-591	-904
<b>Loss from discontinued operations - before tax</b>	<b>0</b>	<b>-27</b>	<b>0</b>	<b>-51</b>	<b>-319</b>	<b>-370</b>
Tax	-1	0	-1	0	30	31
<b>Loss from discontinued operations - after tax</b>	<b>-1</b>	<b>-27</b>	<b>-1</b>	<b>-51</b>	<b>-290</b>	<b>-340</b>
<b>Other comprehensive income:</b>						
Exchange-rate differences on translation of foreign subsidiaries	-1	3	-1	3	-8	-5
<b>Comprehensive income from discontinued operations</b>	<b>-1</b>	<b>-24</b>	<b>-2</b>	<b>-48</b>	<b>-298</b>	<b>-344</b>

SUMMARY OF CASH FLOW FROM DISCONTINUED OPERATIONS, SEK M	Apr - Jun 2015	Apr - Jun 2014	Jan - Jun 2015	Jan - Jun 2014	12 months July - June	Full-year 2014
Cash flow from operating activities	-45	-15	-129	-51	-193	-115
Cash flow from investing activities	6	-7	24	-7	30	-1
Cash flow from financing activities	0	0	0	0	0	0
<b>Cash flow from discontinued operations</b>	<b>-39</b>	<b>-22</b>	<b>-105</b>	<b>-58</b>	<b>-163</b>	<b>-116</b>



## FINANCIAL REPORTS, PARENT COMPANY

SUMMARY OF INCOME STATEMENT FOR THE PARENT COMPANY, SEK M	Apr - Jun 2015	Apr - Jun 2014	Jan - Jun 2015	Jan - Jun 2014	12 months July - June	Full-year 2014
Operating profit	2	10	11	21	85	95
Operating expenses	-19	-19	-39	-36	-127	-124
<b>EBIT</b>	<b>-17</b>	<b>-9</b>	<b>-28</b>	<b>-15</b>	<b>-42</b>	<b>-29</b>
Net financial items <sup>1)</sup>	-8	1	422	886	-70	394
<b>PROFIT/LOSS AFTER FINANCIAL ITEMS</b>	<b>-24</b>	<b>-8</b>	<b>395</b>	<b>871</b>	<b>-112</b>	<b>365</b>
Appropriations	-	-	-	-	396	396
Tax	5	1	6	3	-25	-27
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>-20</b>	<b>-7</b>	<b>400</b>	<b>874</b>	<b>260</b>	<b>734</b>

<sup>1)</sup> Net financial items include dividends on participations in subsidiaries totalling SEK 421 M (888) for the half year and SEK 888 M for the full-year 2014, and impairment of participations in subsidiaries totalling SEK 0 M (0) for the quarter and negative SEK 486 M for the full-year 2014.

STATEMENT OF COMPREHENSIVE INCOME FOR THE PARENT COMPANY, SEK M	Apr - Jun 2015	Apr - Jun 2014	Jan - Jun 2015	Jan - Jun 2014	12 months July - June	Full-year 2014
<b>PROFIT FOR THE PERIOD</b>	<b>-20</b>	<b>-7</b>	<b>400</b>	<b>874</b>	<b>260</b>	<b>734</b>
<b>Other comprehensive income:</b>						
<i>Components that may later be reclassified to earnings for the year:</i>						
- Exchange-rate difference, net investments in foreign operations	-1	1	-2	1	0	3
<b>Other comprehensive income/loss, net after tax</b>	<b>-1</b>	<b>1</b>	<b>-2</b>	<b>1</b>	<b>0</b>	<b>3</b>
<b>COMPREHENSIVE INCOME/LOSS FOR THE PERIOD</b>	<b>-21</b>	<b>-6</b>	<b>399</b>	<b>875</b>	<b>260</b>	<b>737</b>

CONDENSED BALANCE SHEET FOR THE PARENT COMPANY SEK M	30 June 2015	30 June 2014	31 December 2014
<b>ASSETS</b>			
Fixed assets	3 140	3 199	3 140
Current receivables in Group companies <sup>1)</sup>	1 496	1 536	1 207
Other current receivables	68	27	28
Cash and cash equivalents <sup>1)</sup>	150	102	162
<b>TOTAL ASSETS</b>	<b>4 855</b>	<b>4 864</b>	<b>4 537</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Shareholders' equity	2 585	2 575	2 437
Untaxed reserves	114	160	114
Provisions	0	1	0
Long-term liabilities	1 528	1 634	1 396
Current liabilities in Group companies	25	19	67
Other current liabilities <sup>1)</sup>	603	475	523
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>4 855</b>	<b>4 864</b>	<b>4 537</b>

<sup>1)</sup> Group-wide bank accounts were reclassified in the balance sheet for the comparative year 30 June 2014.

SUMMARY OF CHANGES IN EQUITY FOR THE PARENT COMPANY, SEK M	30 June 2015	30 June 2014	31 December 2014
Shareholders' equity at the beginning of the year	2 437	1 951	1 951
Comprehensive income for the period	399	875	737
Dividend to shareholders	-251	-251	-251
<b>SHAREHOLDERS' EQUITY AT THE END OF THE PERIOD</b>	<b>2 585</b>	<b>2 575</b>	<b>2 437</b>

## FINANCIAL DEFINITIONS

Return on shareholders' equity	Profit for the period, excluding minority share, as a percentage of average shareholders' equity excluding minority interest.
Return on total capital	Profit after net financial items plus financial costs as a percentage of the average total assets.
Capital employed	Total assets less non-interest-bearing liabilities and provisions including deferred tax liabilities.
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 non-controlling interest 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/amortisation as a percentage of total revenue.
EBITA	EBIT after depreciation/amortisation according to plan but before amortisation and impairment of intangible fixed assets.
EBITA margin	EBITA as a percentage of total revenue.
EBITDA	EBIT before depreciation/amortisation and impairment of tangible and intangible fixed assets.
EBITDA margin	EBITDA as a percentage of total revenue.
Earnings per share	Net profit for the period excluding minority shares, in relation to the average number of shares.
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	Cash flow from operating activities in relation to the average number of shares.
Net debt	Current and long-term interest-bearing liabilities for borrowing less cash and cash equivalents, meaning excluding pensions, leasing, derivatives and similar obligations.

## COMPANY-SPECIFIC TERMINOLOGY AND DEFINITIONS

Group companies	The MECA, Mekonomen Nordic and Sørensen og Balchen segments.
Proprietary stores	Stores with operations in subsidiaries, directly or indirectly majority owned, by Mekonomen AB.
Partner stores	Stores that are not proprietary, but conduct business under the Group's brands/store concepts.
Proprietary workshops	Workshops with operations in subsidiaries, directly or indirectly majority owned, by Mekonomen AB.
Affiliated workshops	Workshops that are not proprietary, but conduct business under the Group's brands/workshop concepts (Mekonomen Service Centre, MekoPartner, MECA Car Service, BilXtra and Speedy).
Concept workshops	Affiliated workshops
Sales to customer groups Affiliated workshops	Sales to affiliated workshops and sales in proprietary workshops.
Sales to customer groups Other workshops	Sales to company customers that are not affiliated to any of the Mekonomen Group's concepts, including sales in fleet operations.
Sales to customer groups Consumers	Cash sales from proprietary stores to other customer groups than Affiliated workshops and Other workshops, and the Group's e-commerce sales to consumers.
Underlying net sales	Sales adjusted for the number of comparable working days and currency effects.
Comparable units	Stores, majority-owned workshops and Internet sales that have been in operation for the past 12-month period and throughout the entire preceding comparative period.
Sales in comparable units	Sales in comparable units comprise external sales (in local currency) in majority-owned stores, wholesale sales to partner stores, external sales in majority-owned workshops and Internet sales.
ProMeister	Mekonomen Group's proprietary brand for high-quality spare parts with five-year guarantees.
Lasingoo	The car portal that Mekonomen Group owns together with industry players that simplifies the workshop selection and booking processes for car owners.
Fleet operations	Mekonomen Group's offering to business customers comprising service and repairs of cars, sales of spare parts, tyres, accessories and tyre storage.
Spare parts	Parts that are necessary for a car to function.
Accessories	Products that are not necessary for a car to function, but enhance the experience or extend use of the car, for example, car-care products, roof boxes, car seats for children, etc.
MECA+	MECA's service concept which meets the customers higher demands on quality, accessibility and comfort, with an extended offer of services and integrated solutions.

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