

BILIA REDEEMING SUBORDINATED DEBENTURE SHARES

At Bilia's extraordinary shareholders' meeting on 25 August 2004, the shareholders decided unanimously to support the board of directors' proposal to convert approximately SEK 377 million of the company's restricted funds to non-restricted shareholders' equity. To enable this capital to be released before the 2004 final accounts, the meeting decided that, at the same time as the share capital and statutory reserves were reduced, the company's share capital should be temporarily increased by the same amount through a new issue of 37,716,448 puttable Series C subordinated debenture shares. In accordance with the meeting's decision, all these subordinated debenture shares were issued to Handelsbanken.

The agreed redemption of these subordinated debenture shares has now taken place.

The redemption required the permission of the court, followed by the subsequent registration with the Swedish Companies Agency (Bolagsverket). On 17 December 2004, the Göteborg city court decided to grant Bilia the necessary permission. When this decision became final, the Swedish Companies Agency registered the city court's decision. Following registration, the subordinated debenture shares have been redeemed and the redemption sum has been repaid.

After the above measures, the parent company's restricted equity comprises share capital, SEK 231,291,550, and statutory reserves, SEK 46,258,310. The share capital is distributed between 23,129,155 A shares, each with a par value of SEK 10.

Göteborg, 13 January 2005

Board of directors

For further information, please contact Bilia's managing director, Jan Pettersson, or its CFO, Gunnar Blomkvist, Bilia AB, phone +46 31 709 55 00.