

# Mekonomen Group

## Interim report January - March 2017

10 May 2017

### Increased sales in the Group, negative impact from Mekonomen Sweden

#### 1 January - 31 March 2017

- Revenue increased 7 per cent to SEK 1,518 M (1,424). Adjusted for currency effects and calculated on the comparable number of workdays, revenue decreased 3 per cent. Sales in comparable units rose 5 per cent.
- EBITA increased to SEK 155 M (149) and the EBITA margin amounted to 10 per cent (10).
- EBIT increased to SEK 126 M (121) and the EBIT margin was 8 per cent (9).
- The gross margin amounted to 53.6 per cent (54.2).
- Earnings per share, before and after dilution, rose to SEK 2.33 (2.28).
- Cash flow from operating activities rose to SEK 37 M (30).
- Net debt amounted to SEK 1,457 M (1,624), compared with SEK 1,437 M at year-end.

SUMMARY OF THE GROUP'S EARNINGS TREND SEK M	Jan - Mar 2017	Jan - Mar 2016	Change, %	12 months April - March	Full-year 2016
Revenue	1 518	1 424	7	6 031	5 937
Operating profit before amortisation and impairment of intangible fixed assets (EBITA)	155	149	4	600	594
EBIT	126	121	4	486	481
Profit after financial items	113	110	2	449	446
Profit after tax	86	83	4	345	342
Earnings per share, SEK	2,33	2,28	2	9,38	9,32
EBITA margin, %	10	10		10	10
EBIT margin, %	8	9		8	8

## CEO's comments

### **Increased sales in the Group, negative impact from Mekonomen Sweden**

The first quarter of the year showed a sales increase for Mekonomen Group of 7 per cent. The improvement in the first quarter was helped by currency effects and more workdays. The growth was positive in MECA, Mekonomen Norway and in Sørensen og Balchen, while Mekonomen Sweden reported decreased sales compared to the first quarter last year. EBIT increased to SEK 126 (121) M in the first quarter and cash flow from operating activities increased to SEK 37 (30) M.

Sales to affiliated workshops continued to show a strong growth and increased 10 per cent in the first quarter. Also the sale of spare parts under our own brand ProMeister had a favourable development.

We have had a lower gross margin in the Group during the quarter, affected by increased share of sales to affiliated workshops and large customers, as well as increased sales of accessories.

Increased sales of car radios adapted to the digital solution DAB+ in Norway during the first quarter affected our accessories sales positively, however with a negative impact on the gross margin. We expect that DAB will have an impact on sales and margin primarily during 2017.

The development in MECA was stable during the first quarter. Opus Equipment, which is a part of MECA and which had a negative trend during 2016, has developed in the right direction during the quarter. Sørensen og Balchen showed a continued favourable growth of accessories sales and good cost control.

In Mekonomen Sweden, the efforts to reinstate a more decentralised sales organisation was completed during the quarter. Sales and profit development however continued to be weak during the quarter and our greatest focus going forward is to regain market shares in order to get back to growth and improved profitability. The cost and efficiency program is progressing according to plan and contributed positively to the profitability in the quarter.

### **Market update**

The market was stable during the first quarter even if we noted a certain slowdown in the market. Specifically, the sales of cold related products were lower in the first quarter compared to the same period last year, due to weather circumstances.

For the full year we see potential for an increasing overall total market as recent statistics shows that the number of miles driven increased for the third year in a row in Sweden, the car park is growing and new car sales have increased steadily the last years. For Mekonomen Group, the potential for a stronger market is primarily linked to an increased car park for cars three years and older.

### **Focus 2017**

The project for our new digital spare parts catalogue is progressing and we plan to launch this catalogue during the year. Also the project to streamline our central warehouse structure is proceeding as planned and the building of the wholly automated part of the central warehouse in Strängnäs has been initiated.

The focus during the last quarters has been, and continues to be, to drive profitable growth in all our Group companies. The highest priority is to turn the development in Mekonomen Sweden. This is based upon the possibilities and the responsibility which the store managers are given to develop their local business. The focus is also to strengthen and broaden the offering to our affiliated workshop, which is the part of our business where we see the greatest future growth potential and where it is strategically most important to grow.

Pehr Oscarson  
President and CEO

## MEKONOMEN GROUP IN BRIEF

Mekonomen Group makes car life easier and more affordable for our customers. We offer a broad and simpler accessible range of affordable and innovative solutions and products for consumers and companies. We consist of the leading car service chains in the Nordic region with a proprietary wholesale operations, about 340 stores and more than 2,000 affiliated workshops operating under the Group's brands.

### Business concept

Mekonomen Group's business concept is to offer consumers and companies solutions for a simpler and more affordable car life by using clear and innovative concepts, high quality and an efficient logistics chain.

### Business flow

Approximately 160 suppliers account for 75 per cent of the supply of goods. Mekonomen Group's three brands MECA, Mekonomen and BilXtra are responsible for their own wholesale operations. Through our stores, we sell and deliver spare parts and accessories to our affiliated workshops as well as to other B2B customers and consumers.



## GROUP REVENUE

TOTAL REVENUE DISTRIBUTION, SEK M	Jan - Mar 2017	Jan - Mar 2016	Change, %	12 months April - March	Full-year 2016
<b>Net sales, external, per segment</b>					
MECA	551	500	10	2 090	2 039
Mekonomen Sweden	434	462	-6	1 863	1 891
Mekonomen Norway	217	194	12	859	836
Sørensen og Balchen	213	172	24	766	725
Other segments	67	63	6	299	295
<b>Total net sales, Group</b>	<b>1 482</b>	<b>1 391</b>	<b>7</b>	<b>5 877</b>	<b>5 786</b>
Other operating revenue	36	32	12	155	151
<b>GROUP REVENUE</b>	<b>1 518</b>	<b>1 424</b>	<b>7</b>	<b>6 031</b>	<b>5 937</b>

GROWTH PER CENT	January - March 2017				
	MECA	Mekonomen Sweden	Mekonomen Norway	Sørensen og Balchen	Group
Underlying increase	0,5	-10,5	-3,2	6,8	-2,5
Currency effects	3,7	0,0	8,4	9,3	3,6
Effect, workdays	5,9	4,4	6,9	7,6	5,6
<b>Nominal increase</b>	<b>10,1</b>	<b>-6,1</b>	<b>12,1</b>	<b>23,7</b>	<b>6,6</b>

SALES IN COMPARABLE UNITS - growth compared with the same period previous year PER CENT	Group First quarter 2017
Sales growth in comparable units	4,7

### 1 January - 31 March 2017

Revenue rose 7 per cent to SEK 1,518 M (1 424). Adjusted for positive currency effects of SEK 51 M, revenue increased 3 per cent. During the quarter, the number of workdays was three days more in Sweden and Finland, and four days more in Norway, compared with year-earlier period. Easter occurred during the first quarter last year. Calculated on comparable workdays and adjusted for currency effects, revenue decreased by 3 per cent. Sales in comparable units rose 5 per cent.

## **GROUP PERFORMANCE**

### **1 January - 31 March 2017**

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

EBITA increased to SEK 155 M (149), and the EBITA margin was 10 per cent (10). In the comparative period, first quarter 2016, MECA's export business to Denmark had a negative impact of SEK 5 M on EBITA. Currency effects in the balance sheet had a positive impact of SEK 3 M (neg: 2) on EBITA.

#### *Operating profit, EBIT*

EBIT rose to SEK 126 M (121), and EBIT margin was 8 per cent (9). In the comparative period, first quarter 2016, MECA's export business to Denmark had a negative impact of SEK 5 M on EBIT. Currency effects in the balance sheet had a positive impact of SEK 3 M (neg: 2) M on EBIT.

#### *Other earnings*

Profit after financial items increased to SEK 113 M (110). Net interest expense amounted to SEK 6 M (expense: 6) and other financial items to an expense of SEK 7 M (expense: 4). Profit after tax rose to SEK 86 M (83). In Norway, corporate tax was reduced from 25 per cent to 24 per cent as of 2017, which had a positive impact of SEK 1 M on tax expense for the quarter. Earnings per share, before and after dilution, increased to SEK 2.33 (2.28).

## **FINANCIAL POSITION AND CASH FLOW**

Cash flow from operating activities rose to SEK 37 M (30) in the first quarter. Tax paid amounted to SEK 79 M (80) for the quarter. Cash and cash equivalents amounted to SEK 296 M (238), compared with SEK 291 M at year-end. The equity/assets ratio was 43 per cent (42). Long term interest-bearing liabilities amounted to SEK 1,553 M (1,440), compared with SEK 1,338 M at year-end. Current interest-bearing liabilities amounted to SEK 213 M (436), compared with SEK 404 M at year-end. The overdraft facility has been reduced and the borrowing capacity has been expanded with SEK 250 M in the first quarter.

Net debt amounted to SEK 1,457 M (1,624), compared with SEK 1,437 M at year-end, which represents an increase of SEK 20 M since year-end. Primarily, it is a positive cash flow from operating activities that has reduced net debt during the quarter. The items that increased net debt are mainly investments and acquisitions. During the quarter, loans were amortised by SEK 34 M.

## **INVESTMENTS**

During the quarter, investments in fixed assets amounted to SEK 27 M (20). Depreciation and impairment of tangible fixed assets amounted to SEK 15 M (14) for the quarter.

During the first quarter, company and business acquisitions amounted to SEK 36 M (6), of which SEK 10 M (0) pertained to estimated supplementary purchase consideration. During the quarter supplementary purchase considerations have also been paid out by SEK 3 M (0). Acquired assets totalled SEK 9 M (2) and assumed liabilities to SEK 0 M (0) for the quarter. In addition to goodwill, which amounted to SEK 12 M (4) intangible surplus values of SEK 15 M (0) were identified related to customer relations. Deferred tax liabilities attributable to acquired intangible fixed assets amounted to SEK 0 M (0). Acquired minority shares amounted to SEK 3 M (3) in the first quarter. Divested minority shares amounted to SEK 0 M (0) in the first quarter. Divested businesses amounted to SEK 0 M (0) in the first quarter.

## **ACQUISITIONS AND START-UPS**

### **First quarter**

Mekonomen Sweden acquired minority shares in two stores and Sørensen og Balchen acquired minority shares in a workshop, all for a minor value. Mekonomen Norway acquired two partnership stores in Mosjön and Mo i Rana, and a workshop in Halden, Norway. MECA acquired two stores, one in Västerås and one in Visby, Sweden. MECA has also acquired an operation of heavy workshop equipment in the eastern Norway. Meko Service Nordic acquired two workshops in Malmö, Sweden.

### **Number of stores and workshops**

At the end of the period, the total number of stores in the chains was 343 (344), of which 264 (261) were proprietary stores. The number of affiliated workshops totalled 2,031 (2,129). See the distribution in the table on page 14.

## EMPLOYEES

At the end of the period, the number of employees was 2,231 (2,403) and the average number of employees during the period was 2,242 (2,380). See the distribution in the table on page 15.

## PERFORMANCE BY SEGMENT

### MECA SEGMENT

MECA SEK M	Jan - Mar 2017	Jan - Mar 2016	Change, %	12 months April - March	Full-year 2016
Net sales, external	551	500	10	2 090	2 039
Operating profit before amortisation and impairment of intangible fixed assets (EBITA)	76	62	22	231	217
EBIT	73	60	21	218	205
EBITA margin, %	14	12		11	10
EBIT margin, %	13	12		10	10
Number of stores/of which proprietary	86 / 76	85 / 73			85 / 75
Number of Mekonomen Service Centres	-	98			-
Number of MekoPartner	-	37			-
Number of MECA Car Service	709	676			711

The MECA segment mainly includes wholesale and store operations in Sweden and Norway, as well as fleet operations in Sweden. MECA also operates the segments heavy vehicles, ProMeister Solutions and Opus Equipment, which operate for the entire Mekonomen Group.

Increase of sales to MECA Car Service workshops, a strong sales growth in Opus Equipment and sales of DAB products has been key factors behind MECA's sales growth during the quarter.

During the quarter, MECA has had an improved gross margin compared to last year. Opus Equipment developed in right direction in the quarter.

In the comparative period, first quarter 2016, MECA's export business to Denmark had a negative effect on EBIT of SEK 5 M.

The currency effect on net sales against the NOK was a positive SEK 19 M during the quarter. In the first quarter, the number of workdays was three days more in Sweden and and four days more in Norway, compared with first quarter previous year. Underlying net sales rose 1 per cent in the quarter. MECA's EBIT increased to SEK 73 M (60) for the first quarter and the EBIT margin rose to 13 per cent (12).

### MEKONOMEN SWEDEN SEGMENT

MEKONOMEN SWEDEN SEK M	Jan - Mar 2017	Jan - Mar 2016	Change, %	12 months April - March	Full-year 2016
Net sales, external	434	462	-6	1 863	1 891
Operating profit before amortisation and impairment of intangible fixed assets (EBITA)	40	53	-24	178	190
EBIT	39	52	-24	175	187
EBITA margin, %	9	11		9	10
EBIT margin, %	9	11		9	10
Number of stores/of which proprietary	133 / 113	135 / 115			132 / 112
Number of Mekonomen Service Centres	426	439			427
Number of MekoPartner	133	125			127

From 1 January 2017 Marinshopen is included in Mekonomen Sweden segment instead of "Other segments", comparative figures are not recalculated. Marinshopen's net sales amounted to SEK 3 M in the first quarter 2016 and EBIT amounted to SEK -2 M, for the full year 2016 the net sales totalled SEK 29 M and EBIT was SEK -1 M.

The Mekonomen Sweden segment mainly includes wholesale, store and fleet operations in Sweden.

The re-implementation of a more decentralised sales organisation was completed during the quarter. Sales and profitability development remained weak in the quarter. Also the gross margin was weakened. The cost and efficiency program is progressing according to plan and contributed positively to the profitability in the quarter.

The underlying net sales declined 10 per cent in the first quarter. In the first quarter, the number of workdays was three more in Sweden compared with the first quarter last year. EBIT totalled SEK 39 M (52) for the first quarter and the EBIT margin was 9 per cent (11).

### MEKONOMEN NORWAY SEGMENT

MEKONOMEN NORWAY SEK M	Jan - Mar 2017	Jan - Mar 2016	Change, %	12 months April - March	Full-year 2016
Net sales, external	217	194	12	859	836
Operating profit before amortisation and impairment of intangible fixed assets (EBITA)	27	27	-1	132	132
EBIT	27	27	-1	132	132
EBITA margin, %	12	14		15	15
EBIT margin, %	12	14		15	15
Number of stores/of which proprietary	45 / 34	45 / 32			45 / 32
Number of Mekonomen Service Centres	337	350			339
Number of MekoPartner	92	96			93

The Mekonomen Norway segment mainly includes store and fleet operations in Norway.

The key driver of Mekonomen Norway's growth during the quarter was sales to affiliated workshops and consumers. The gross margin was stabilised during the quarter, as well as operating profit, compared with the first quarter of the previous year.

The underlying net sales declined 3 per cent in the first quarter. The currency effect on net sales against the NOK was a positive SEK 16 M in the first quarter. Number of workdays was four days more in Norway compared with first quarter last year. EBIT amounted to SEK 27 M (27) for the first quarter and the EBIT margin was 12 per cent (14).

### SØRENSEN OG BALCHEN SEGMENT

SØRENSEN OG BALCHEN SEK M	Jan - Mar 2017	Jan - Mar 2016	Change, %	12 months April - March	Full-year 2016
Net sales, external	213	172	24	766	725
Operating profit before amortisation and impairment of intangible fixed assets (EBITA)	28	24	18	122	117
EBIT	28	24	18	121	117
EBITA margin, %	13	14		16	16
EBIT margin, %	13	13		15	16
Number of stores/of which proprietary	72 / 37	71 / 36			72 / 37
Number of BilXtra	258	248			255

The Sørensen og Balchen segment mainly includes wholesale and store operations in Norway.

In the quarter, Sørensen og Balchen reported a favourable trend in sales of accessories, primarily in DAB products, although which combined with increased competition had a negative effect on the gross margin. Sørensen og Balchen has had good cost control. The underlying net sales increased 7 per cent for the first quarter. The currency effect on net sales against the NOK was a positive SEK 16 M in the first quarter. Number of workdays was four days more in Norway compared with the first quarter last year. EBIT rose to SEK 28 M (24) for the first quarter and the EBIT margin was 13 per cent (13).

### SALES GROWTH PER CUSTOMER GROUP

GROWTH PER CUSTOMER GROUP - growth compared with the same period previous year PER CENT	January - March 2017			
	Affiliated workshops	Consumers	Other B2B customers	Partner stores
Nominal growth	9,5	-1,9	8,8	0,5
Currency adjusted growth	6,0	-4,7	4,9	-3,5

## 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		
	2017	2016	2015	2017	2016	2015	2017	2016	2015	2017	2016	2015	2017	2016	2015
Sweden	64	61	62	59	62	60	65	66	66	63	64	63	251	253	251
Norway	65	61	63	58	62	59	65	66	66	63	64	63	251	253	251
Finland	64	61	62	60	63	60	65	66	66	62	63	63	251	253	251

## SIGNIFICANT RISKS AND UNCERTAINTIES

The company conducted a review and assessment of operating and financial risks and uncertainties in accordance with the 2016 Annual Report and found that no significant risks have occurred since then. For the effect of exchange-rate fluctuations on profit before tax, refer to page 36 of the 2016 Annual Report. For a full presentation of the risks affecting the Group, refer to the 2016 Annual Report.

## PARENT COMPANY, "OTHER SEGMENTS" AND "OTHER ITEMS"

The Parent Company's operations mainly comprise Group Management and finance management. The Parent Company's earnings after net financial items were a negative SEK 9 M (neg: 12) for the first quarter, excluding share dividend from subsidiaries of SEK 315 M (47) in the quarter. The average number of employees was 6 (11). During the first quarter, Mekonomen AB sold goods and services to Group companies for a total of SEK 11 M (8).

"Other segments" includes business operations and operating segments that are not reported separately. These include Mekonomen's wholesale and store operations in Finland, Mekonomen's store operations in Iceland, Meko Service Nordic with the BilLivet and Speedy workshop operations, the Car Share operations, Mekonomen car leasing service, our joint venture in Poland (InterMeko Europa), the affiliated company Automotive Web Solutions AB, Lasingoo Norway and Group-wide functions that also include Mekonomen AB (publ). As of 1 January 2017 Marinshopen is included in the Mekonomen Sweden segment instead of "Other segments", comparative figures are not recalculated. The units reported in "Other segments" do not reach quantitative limits for reporting separately, and the benefits are considered limited for the financial reports users to report as their own segments. EBIT for "Other segments" amounted to negative SEK 22 M (neg: 23) in the first quarter.

"Other items" includes acquisition-related items attributable to Mekonomen AB's direct acquisitions. Current acquisition-related items pertain to amortisation of acquired intangible assets for the acquisitions of MECA and Sørensen og Balchen totalling an expense of SEK 19 M (expense: 19) for the first quarter.

## CHANGES IN GROUP MANAGEMENT

As of 1 March 2017, Pehr Oscarson is Mekonomen Group's President and CEO, after having had an acting role since October 2016. Per Hedblom leaves the position as CFO at his own request for new assignment with another employer. Per Hedblom leaves as CFO no later than September 2017. The process of finding a new CFO for Mekonomen Group is ongoing.

## EVENTS AFTER THE END OF THE PERIOD

At the Annual General Meeting on the 25th of April 2017 John S. Quinn, Kenny Bräck, Joseph M. Holsten, Malin Persson, Helena Skåntorp and Christer Åberg were re-elected as members of the company's Board of Directors. John S. Quinn was elected as chairman of the company's Board after Kenneth Bengtsson declined re-election in December 2016. Magnus Håkansson was elected as member of the company's Board of Directors.

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

## ACCOUNTING POLICIES

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. This interim report consists of pages 1-20 and should be read in its entirety.

New standards or interpretations that became effective on 1 January 2017 have not had any material effect on Mekonomen Group's financial statements for the interim period.

The Parent Company prepares its accounts in accordance with the Swedish 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**

<b>Information</b>	<b>Period</b>	<b>Date</b>
Interim report	January - June 2017	28 July 2017
Interim report	January - September 2017	7 November 2017
Year-end report	January - December 2017	9 February 2018
Interim report	January - March 2018	9 May 2018
Interim report	January - June 2018	27 July 2018
Interim report	January - September 2018	8 November 2018
Year-end report	January - December 2018	14 February 2019

Stockholm, 10 May 2017  
Mekonomen AB (publ), Corp. No Reg: 556392-1971

Pehr Oscarson  
President and CEO

This interim report has not been reviewed by the company's auditors.

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This information is information that Mekonomen AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act.

The information was submitted for publication, through the agency of the contact person set out above, at 07:30 a.m CET on 10 May 2017.

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	Jan - Mar 2017	Jan - Mar 2016	12 months April - March	Full-year 2016
Net sales	1 482	1 391	5 877	5 786
Other operating revenue	36	32	155	151
<b>Total revenue</b>	<b>1 518</b>	<b>1 424</b>	<b>6 031</b>	<b>5 937</b>
Goods for resale	-688	-637	-2 737	-2 686
Other external costs	-312	-296	-1 244	-1 229
Personnel expenses	-349	-327	-1 387	-1 366
<b>Operating profit before depreciation/ amortisation and impairment of tangible and intangible fixed assets (EBITDA)</b>	<b>170</b>	<b>163</b>	<b>663</b>	<b>656</b>
Depreciation and impairment of tangible fixed assets	-15	-14	-63	-62
<b>Operating profit before amortisation and impairment of intangible fixed assets (EBITA)</b>	<b>155</b>	<b>149</b>	<b>600</b>	<b>594</b>
Amortisation and impairment of intangible fixed assets	-29	-28	-114	-113
<b>EBIT</b>	<b>126</b>	<b>121</b>	<b>486</b>	<b>481</b>
Interest income	1	1	5	5
Interest expenses	-7	-8	-27	-28
Other financial items	-7	-4	-14	-12
<b>Profit after financial items</b>	<b>113</b>	<b>110</b>	<b>449</b>	<b>446</b>
Tax	-27	-27	-104	-105
<b>PROFIT FOR THE PERIOD</b>	<b>86</b>	<b>83</b>	<b>345</b>	<b>342</b>
<b>Profit for the period attributable to:</b>				
Parent Company's shareholders	84	82	337	335
Non-controlling interests	2	1	8	7
<b>PROFIT FOR THE PERIOD</b>	<b>86</b>	<b>83</b>	<b>345</b>	<b>342</b>
<b>Earnings per share, before and after dilution, SEK</b>				
Profit for the period	2,33	2,28	9,38	9,32

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, SEK M	Jan - Mar 2017	Jan - Mar 2016	12 months April - March	Full-year 2016
<b>Profit for the period</b>	<b>86</b>	<b>83</b>	<b>345</b>	<b>342</b>
<b>Other comprehensive income:</b>				
<i>Components that will not be reclassified to earnings for the year:</i>				
- Actuarial gains and losses	-	-	-1	-1
<i>Components that may later be reclassified to earnings for the year:</i>				
- Exchange-rate differences from translation of foreign subsidiaries <sup>1)</sup>	-10	26	70	105
- Cash-flow hedges <sup>2)</sup>	1	-4	0	-4
<b>Other comprehensive income/loss, net after tax</b>	<b>-9</b>	<b>22</b>	<b>69</b>	<b>100</b>
<b>COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>77</b>	<b>105</b>	<b>414</b>	<b>442</b>
<b>Comprehensive income/loss for the period attributable to:</b>				
Parent Company's shareholders	75	104	405	434
Minority owners	2	1	9	8
<b>COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>77</b>	<b>105</b>	<b>414</b>	<b>442</b>

<sup>1)</sup> As of 31 March 2017, the accumulated translation reserve pertaining to Denmark was negative SEK 14 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, which is planned no later than 2018. For the quarter the exchange-rate differences from translation of Danish subsidiaries in other comprehensive income amounted to SEK 0 (1) M and amounted to SEK 3 M for the full year 2016.

<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	31 March 2017	31 March 2016	31 December 2016
<b>ASSETS<sup>1)</sup></b>			
Intangible fixed assets	2 757	2 732	2 757
Tangible fixed assets	185	181	181
Financial fixed assets	44	54	46
Deferred tax assets	77	55	77
Goods for resale	1 253	1 202	1 279
Current receivables	915	927	821
Cash and cash equivalents	296	238	291
<b>TOTAL ASSETS</b>	<b>5 528</b>	<b>5 387</b>	<b>5 452</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES<sup>1)</sup></b>			
Shareholders' equity	2 396	2 257	2 324
Long-term liabilities, interest-bearing	1 553	1 440	1 338
Deferred tax liabilities	155	158	163
Long-term liabilities, non-interest-bearing	32	9	24
Current liabilities, interest-bearing	213	436	404
Current liabilities, non-interest-bearing	1 178	1 087	1 199
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>5 528</b>	<b>5 387</b>	<b>5 452</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	31 March 2017	31 March 2016	31 December 2016
Shareholders' equity at the beginning of the year	2 324	2 155	2 155
Comprehensive income for the period	77	105	442
Acquisition/divestment of non-controlling interests	-3	-3	-14
Dividend to shareholders	-2	0	-259
<b>SHAREHOLDERS' EQUITY AT THE END OF THE PERIOD</b>	<b>2 396</b>	<b>2 257</b>	<b>2 324</b>
Of which, non-controlling interests	15	13	14

CONDENSED CONSOLIDATED CASH-FLOW STATEMENT, SEK M	Jan - Mar 2017	Jan - Mar 2016	12 months April - March	Full-year 2016
<b>Operating activities</b>				
<i>Cash flow from operating activities before changes in working capital, excluding tax paid</i>	162	153	651	642
Tax paid	-79	-80	-152	-153
<b>Cash flow from operating activities before changes in working capital</b>	<b>83</b>	<b>73</b>	<b>499</b>	<b>489</b>
Cash flow from changes in working capital:				
Changes in inventory	23	40	-56	-40
Changes in receivables	-78	-82	36	33
Changes in liabilities	9	-1	71	61
Increase (-)/decrease (+) restricted working capital	-46	-43	52	54
<b>Cash-flow from operating activities</b>	<b>37</b>	<b>30</b>	<b>551</b>	<b>544</b>
<b>Cash flow from investing activities</b>	<b>-53</b>	<b>-26</b>	<b>-121</b>	<b>-94</b>
<b>Cash flow from financing activities</b>	<b>20</b>	<b>-62</b>	<b>-384</b>	<b>-466</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>4</b>	<b>-58</b>	<b>46</b>	<b>-16</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>291</b>	<b>295</b>	<b>238</b>	<b>295</b>
Exchange-rate difference in cash and cash equivalents	1	2	12	12
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>296</b>	<b>238</b>	<b>297</b>	<b>291</b>

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

The financial instruments measured at fair value in the balance sheet are shown below. This was done by dividing the values into three levels, which is described in the 2016 Annual Report, Note 11. All of Mekonomen's financial instruments are included in Level 2.

The main methods and assumptions used to determine the fair value of the financial instruments shown in the table below are described in the 2016 Annual Report, Note 11. The financial instruments contained in the interim report are the same as those in the 2016 annual accounts.

CONSOLIDATED DERIVATIVE INSTRUMENTS MEASURED AT FAIR VALUE IN THE BALANCE SHEET, SEK M	31 March 2017	31 March 2016
<b>FINANCIAL ASSETS</b>		
Derivatives: Currency swaps	-	-
Interest-rate swaps	-	-
<b>TOTAL</b>	-	-
<b>FINANCIAL LIABILITIES</b>		
Derivatives: Currency swaps	-	-
Interest-rate swaps	6	8
<b>TOTAL</b>	<b>6</b>	<b>8</b>

GROUP'S FINANCIAL ASSETS AND LIABILITIES BY MEASUREMENT CATEGORY, 31 March 2017							
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	-	42	-	42	42	2	44
Accounts receivable	-	596	-	596	596	-	596
Other current receivables	-	-	-	-	-	319	319
Cash and cash equivalents	-	296	-	296	296	-	296
<b>TOTAL</b>	-	<b>934</b>	-	<b>934</b>	<b>934</b>	<b>322</b>	<b>1 256</b>
<b>FINANCIAL LIABILITIES</b>							
Long-term liabilities, interest-bearing	6	-	1 547	1 553	1 553	-	1 553
Current liabilities, interest-bearing	-	-	213	213	213	-	213
Accounts payable	-	-	547	547	547	-	547
Other current liabilities	-	-	-	-	-	632	632
<b>TOTAL</b>	<b>6</b>	-	<b>2 306</b>	<b>2 313</b>	<b>2 313</b>	<b>632</b>	<b>2 944</b>

QUARTERLY DATA, SEGMENTS	2017		2016					2015				
	Q1	FY	Q4	Q3	Q2	Q1	FY	Q4	Q3	Q2	Q1	
<b>NET SALES, SEK M <sup>1)</sup></b>												
MECA	551	2 039	528	477	534	500	1 871	489	466	473	444	
Mekonomen Sweden <sup>2)</sup>	434	1 891	470	456	503	462	1 925	493	468	515	449	
Mekonomen Norway	217	836	210	209	223	194	814	191	195	224	204	
Sørensen og Balchen	213	725	182	179	192	172	729	159	179	201	191	
Other segments <sup>3)</sup>	67	295	76	71	85	63	285	83	66	77	60	
<b>GROUP</b>	<b>1 482</b>	<b>5 786</b>	<b>1 466</b>	<b>1 392</b>	<b>1 537</b>	<b>1 391</b>	<b>5 624</b>	<b>1 415</b>	<b>1 374</b>	<b>1 489</b>	<b>1 346</b>	
<b>EBITA, SEK M</b>												
MECA	76	217	16	53	85	62	258	52	54	80	71	
Mekonomen Sweden <sup>2)</sup>	40	190	42	56	40	53	289	53	78	92	65	
Mekonomen Norway	27	132	28	35	42	27	151	25	39	51	36	
Sørensen og Balchen	28	117	29	29	36	24	117	26	30	35	25	
Other segments <sup>3)</sup>	-17	-63	-11	-20	-15	-17	-87	-20	-5	-35	-28	
<b>GROUP</b>	<b>155</b>	<b>594</b>	<b>103</b>	<b>154</b>	<b>189</b>	<b>149</b>	<b>726</b>	<b>138</b>	<b>196</b>	<b>224</b>	<b>169</b>	
<b>EBIT, SEK M</b>												
MECA	73	205	13	50	82	60	245	49	51	77	68	
Mekonomen Sweden <sup>2)</sup>	39	187	40	55	39	52	287	53	77	92	65	
Mekonomen Norway	27	132	28	35	42	27	151	25	39	51	35	
Sørensen og Balchen	28	117	29	29	36	24	116	26	30	35	25	
Other segments <sup>3)</sup>	-22	-84	-16	-25	-19	-23	-106	-26	-9	-39	-32	
Other items <sup>4)</sup>	-19	-77	-19	-19	-19	-19	-77	-19	-19	-19	-19	
<b>GROUP</b>	<b>126</b>	<b>481</b>	<b>74</b>	<b>125</b>	<b>161</b>	<b>121</b>	<b>616</b>	<b>109</b>	<b>168</b>	<b>197</b>	<b>142</b>	
<b>INVESTMENTS, SEK M <sup>5)</sup></b>												
MECA	6	16	6	3	4	3	17	5	2	2	8	
Mekonomen Sweden <sup>2)</sup>	6	30	14	5	5	6	29	12	2	6	9	
Mekonomen Norway	1	3	1	0	1	1	4	1	1	1	1	
Sørensen og Balchen	1	5	2	1	1	1	3	1	0	1	1	
Other segments <sup>3)</sup>	12	57	21	11	18	8	50	14	14	14	8	
<b>GROUP</b>	<b>27</b>	<b>111</b>	<b>43</b>	<b>20</b>	<b>28</b>	<b>20</b>	<b>103</b>	<b>33</b>	<b>19</b>	<b>24</b>	<b>28</b>	
<b>EBITA-MARGIN, %</b>												
MECA	14	10	3	11	16	12	14	11	12	17	16	
Mekonomen Sweden <sup>2)</sup>	9	10	8	12	8	11	14	10	16	17	14	
Mekonomen Norway	12	15	13	16	18	14	18	13	19	22	17	
Sørensen og Balchen	13	16	16	16	18	14	16	16	16	17	13	
<b>GROUP</b>	<b>10</b>	<b>10</b>	<b>7</b>	<b>11</b>	<b>12</b>	<b>10</b>	<b>13</b>	<b>10</b>	<b>14</b>	<b>15</b>	<b>12</b>	
<b>EBIT-MARGIN, %</b>												
MECA	13	10	2	10	15	12	13	10	11	16	15	
Mekonomen Sweden <sup>2)</sup>	9	10	8	12	8	11	14	10	16	17	14	
Mekonomen Norway	12	15	13	16	18	14	18	13	19	22	17	
Sørensen og Balchen	13	16	16	16	18	13	16	16	16	17	13	
<b>GROUP</b>	<b>8</b>	<b>8</b>	<b>5</b>	<b>9</b>	<b>10</b>	<b>9</b>	<b>11</b>	<b>8</b>	<b>12</b>	<b>13</b>	<b>10</b>	

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

<sup>2)</sup> From 1 January 2017 Marinshopen is included in Mekonomen Sweden segment instead of "Other segments", comparative figures are not recalculated. Marinshopen's net sales amounted to SEK 3 M in the first quarter 2016 and EBIT amounted to SEK -2 M, for the full year 2016 the net sales totalled SEK 29 M and EBIT was SEK -1 M.

<sup>3)</sup> "Other segments" includes Mekonomen's wholesale and store operations in Finland, Mekonomen's store operations in Iceland, Meko Service Nordic with the Billivet and Speedy workshop operations, Car Share operations, Mekonomen car leasing service, our joint venture in Poland (InterMeko Europa), the affiliated company Automotive Web Solutions AB, Lasingsoo Norway and Group-wide functions that also include Mekonomen AB (publ). From 1 January 2017 Marinshopen is included in the Mekonomen Sweden segment instead of "Other segments", comparative figures are not recalculated.

<sup>4)</sup> "Other items" include acquisition-related items attributable to Mekonomen AB's direct acquisitions. Current acquisition-related items pertain to amortisation of acquired intangible assets related to the acquisitions of MECA and Sørensen og Balchen.

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

QUARTERLY DATA, SEK M	2017		2016				2015 <sup>1)</sup>				
	Q1	FY	Q4	Q3	Q2	Q1	FY	Q4	Q3	Q2	Q1
Revenue	1 518	5 937	1 508	1 432	1 573	1 424	5 761	1 447	1 405	1 527	1 382
EBITDA	170	656	121	168	203	163	784	151	210	239	184
EBITA	155	594	103	154	189	149	726	138	196	224	169
EBIT	126	481	74	125	161	121	616	109	168	197	142
Net financial items	-13	-35	-2	-13	-9	-11	-22	0	-15	-9	2
Profit aft net fin items	113	446	72	112	152	110	594	109	154	188	144
Tax	-27	-105	-6	-31	-40	-27	-164	-32	-42	-50	-39
Profit for the period	86	342	66	82	112	83	430	76	111	138	105
EBITDA-margin, %	11	11	8	12	13	11	14	10	15	16	13
EBITA margin, %	10	10	7	11	12	10	13	10	14	15	12
EBIT margin, %	8	8	5	9	10	9	11	8	12	13	10
Earnings per share, SEK	2,33	9,32	1,83	2,20	3,02	2,28	11,77	2,17	3,01	3,72	2,87
Shareholders equity per share, SEK	66,3	64,4	64,4	63,0	59,3	62,5	59,7	59,7	58,4	56,9	61,0
Cash flow per share, SEK	1,0	15,1	5,8	2,2	6,4	0,8	12,2	5,4	4,3	3,8	-1,3
Return on equity, % <sup>2)</sup>	14,9	15,1	15,1	15,9	17,6	18,7	20,0	20,0	20,9	21,9	21,3
Share price, end of period	176,5	171,5	171,5	167,0	182,0	201,0	173,0	173,0	194,0	202,5	227,5

<sup>1)</sup> Result figures presented for year 2015, pertain to continuing operations, except earnings per share.

<sup>2)</sup> The key figures for return on shareholders' equity are calculated on a rolling 12-month basis for each quarter.

KEY FIGURES	Jan - Mar 2017	Jan - Mar 2016	12 months April - March	Full-year 2016
Return on shareholders' equity, % <sup>1)</sup>	14,9	18,7	14,9	15,1
Return on total capital, % <sup>1)</sup>	8,7	10,9	8,7	8,7
Return on capital employed, % <sup>1)</sup>	11,6	14,2	11,6	11,6
Equity/assets ratio, %	43,3	41,9	43,3	42,6
Net debt, SEK M	1 457	1 624	1 457	1 437
Net debt/EBITDA, number of times <sup>1)</sup>	2,20	2,13	2,20	2,19
Gross margin, %	53,6	54,2	53,4	53,6
EBITDA margin, %	11,2	11,5	11,0	11,0
EBITA-margin, %	10,2	10,5	9,9	10,0
EBIT-margin, %	8,3	8,5	8,1	8,1
Earnings per share, SEK	2,33	2,28	9,38	9,32
Shareholders' equity per share, SEK	66,3	62,5	66,3	64,4
Cash flow per share, SEK	1,0	0,8	15,3	15,1
Number of shares at the end of the period	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

<sup>1)</sup> The key figures for return on equity/total capital/capital employed and net debt/EBITDA are calculated on rolling 12 months for the period January - March.

NUMBER OF STORES AND WORKSHOPS	MECA		Mekonomen Sweden <sup>1)</sup>		Mekonomen Norway		Sørensen og Balchen		Other segments <sup>1)</sup>		Group	
	31 March 2017	2016	31 March 2017	2016	31 March 2017	2016	31 March 2017	2016	31 March 2017	2016	2017	2016
<b>Number of stores</b>												
Proprietary stores	76	73	113	115	34	32	37	36	4	5	264	261
Partner stores	10	12	20	20	11	13	35	35	3	3	79	83
<b>Total</b>	<b>86</b>	<b>85</b>	<b>133</b>	<b>135</b>	<b>45</b>	<b>45</b>	<b>72</b>	<b>71</b>	<b>7</b>	<b>8</b>	<b>343</b>	<b>344</b>
<b>Number of workshops</b>												
Mekonomen Service Centres	-	98	426	439	337	350	-	-	43	40	806	927
MekoPartner	-	37	133	125	92	96	-	-	-	-	225	258
Speedy	-	-	-	-	-	-	-	-	33	20	33	20
BilXtra	-	-	-	-	-	-	258	248	-	-	258	248
MECA Car Service	709	676	-	-	-	-	-	-	-	-	709	676
<b>Total</b>	<b>709</b>	<b>811</b>	<b>559</b>	<b>564</b>	<b>429</b>	<b>446</b>	<b>258</b>	<b>248</b>	<b>76</b>	<b>60</b>	<b>2 031</b>	<b>2 129</b>

<sup>1)</sup> From 1 January 2017 Marinhopen is included in Mekonomen Sweden segment instead of "Other segments", comparative figures are not recalculated due to insignificance.

AVERAGE NUMBER OF EMPLOYEES	Jan - Mar 2017	Jan - Mar 2016
MECA	736	724
Mekonomen Sweden <sup>1)</sup>	682	852
Mekonomen Norway	272	252
Sørensen og Balchen	253	260
Other segments <sup>1)</sup>	299	293
<b>Total</b>	<b>2 242</b>	<b>2 380</b>

<sup>1)</sup> "Other segment" includes Mekonomen's wholesale and store operations in Finland, Mekonomen's store operations in Iceland, Meko Service Nordic with the BiLivet and Speedy workshop operations, Car Share operations, Mekonomen car leasing service, our joint venture in Poland (InterMeko Europa), the affiliated company Automotive Web Solutions AB, Lasingoo Norway and Group-wide functions that also include Mekonomen AB (publ). From 1 January 2017 Marinshopen is included in the Mekonomen Sweden segment instead of "Other segments", comparative figures are not recalculated due to insignificance.

## FINANCIAL REPORTS, PARENT COMPANY

CONDENSED INCOME STATEMENT FOR THE PARENT COMPANY, SEK M	Jan - Mar 2017	Jan - Mar 2016	12 months April - March	Full-year 2016
Operating revenue	23	20	87	84
Operating expenses	-26	-28	-120	-122
<b>EBIT</b>	<b>-3</b>	<b>-8</b>	<b>-33</b>	<b>-38</b>
Net financial items <sup>1)</sup>	310	43	267	0
<b>Profit/loss after financial items</b>	<b>306</b>	<b>35</b>	<b>234</b>	<b>-38</b>
Appropriations	-	-	156	156
Tax	1	2	-1	0
<b>PROFIT FOR THE PERIOD</b>	<b>308</b>	<b>37</b>	<b>389</b>	<b>118</b>

<sup>1)</sup> Net financial items include dividends on participations in subsidiaries totalling SEK 315 M (47) for the quarter and SEK 47 M for the full-year 2016, and an impairment loss on participations in subsidiaries of SEK 0 M (0) in the quarter and SEK -28 M for the full-year 2016.

STATEMENT OF COMPREHENSIVE INCOME FOR THE PARENT COMPANY, SEK M	Jan - Mar 2017	Jan - Mar 2016	12 months April - March	Full-year 2016
<b>Profit for the period</b>	<b>308</b>	<b>37</b>	<b>389</b>	<b>118</b>
<i>Other comprehensive income net after tax</i>	-	-	-	-
<b>COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>308</b>	<b>37</b>	<b>389</b>	<b>118</b>

CONDENSED BALANCE SHEET FOR THE PARENT COMPANY, SEK M	31 March 2017	31 March 2016	31 December 2016
<b>ASSETS</b>			
Fixed assets	3 189	3 148	3 190
Current receivables in Group companies	1 474	1 524	1 242
Other current receivables	95	95	77
Cash and cash equivalents	193	124	163
<b>TOTAL ASSETS</b>	<b>4 951</b>	<b>4 892</b>	<b>4 673</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Shareholders' equity	2 949	2 812	2 642
Untaxed reserves	210	175	210
Provisions	2	2	2
Long-term liabilities	1 540	1 426	1 324
Current liabilities in Group companies	2	1	69
Other current liabilities	248	475	426
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>4 951</b>	<b>4 892</b>	<b>4 673</b>

SUMMARY OF CHANGES IN EQUITY FOR THE PARENT COMPANY, SEK M	31 March 2017	31 March 2016	31 December 2016
Shareholders' equity at the beginning of the year	2 642	2 775	2 775
Comprehensive income for the period	308	37	118
Dividend to shareholders	-	-	-251
<b>SHAREHOLDERS' EQUITY AT THE END OF THE PERIOD</b>	<b>2 949</b>	<b>2 812</b>	<b>2 642</b>



## ALTERNATIVE PERFORMANCE MEASURES

From the January-June 2016 interim report, Mekonomen applies the Guidelines on Alternative Performance Measures issued by the ESMA\*. Alternative performance measures are financial measures of historical or future financial performance, financial position, or cash flows that are not defined or specified in IFRS. Mekonomen believes that these measures provide valuable supplementary information to company management, investors and other stakeholders in evaluating the company's performance. These alternative performance measures are not always comparable with the measure used by other companies since not all companies calculate these measures in the same way. Accordingly, the measures are to be viewed as a supplement to the measures defined according to IFRS. For definitions of key figures, refer to page 19. For relevant reconciliation of the alternative performance measures that cannot be directly read in or derived from the financial statements, refer to the tables below. For historical reconciliations of alternative performances measures, see also complement to the 2016 annual report on our website <http://www.mekonomen.com/en/alternative-performance-measures/>.

\*The European Securities and Markets Authority.

## RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES

RETURN ON SHAREHOLDERS' EQUITY SEK M	Jan - Mar <sup>1)</sup> 2017	Jan - Mar <sup>1)</sup> 2016	12 months April - March	Full-year 2016
Profit for the period (rolling 12 months)	345	408	345	342
- Minus non-controlling interests' share of profit for the period (rolling 12 months)	-8	-7	-8	-7
<b>Profit for the period excluding non-controlling interests' share (rolling 12 months)</b>	<b>337</b>	<b>401</b>	<b>337</b>	<b>335</b>
- Divided by SHAREHOLDERS' EQUITY ATTRIBUTABLE TO PARENT COMPANY'S SHAREHOLDERS, average over the past five quarters <sup>2)</sup>	2 266	2 144	2 266	2 218
<b>RETURN ON SHAREHOLDERS' EQUITY, %</b>	<b>14,9</b>	<b>18,7</b>	<b>14,9</b>	<b>15,1</b>

<sup>2)</sup> SHAREHOLDERS' EQUITY ATTRIBUTABLE TO PARENT PARENT COMPANY'S SHAREHOLDERS, SEK M	2017		2016			2015			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Shareholders' equity	2 396	2 324	2 276	2 139	2 257	2 155	2 111	2 053	2 204
- Minus Non-controlling interests' share of shareholders' equity	-15	-14	-13	-10	-13	-12	-13	-10	-14
<b>SHAREHOLDERS' EQUITY ATTRIBUTABLE TO PARENT COMPANY'S SHAREHOLDERS</b>	<b>2 381</b>	<b>2 311</b>	<b>2 263</b>	<b>2 129</b>	<b>2 244</b>	<b>2 143</b>	<b>2 098</b>	<b>2 043</b>	<b>2 190</b>
<b>SHAREHOLDERS' EQUITY ATTRIBUTABLE TO PARENT COMPANY'S SHAREHOLDERS, average over the past five quarters</b>	<b>2 266</b>	<b>2 218</b>	<b>2 175</b>	<b>2 132</b>	<b>2 144</b>	<b>2 108</b>	<b>2 146</b>	<b>2 164</b>	<b>2 219</b>

RETURN ON TOTAL CAPITAL SEK M	Jan - Mar <sup>1)</sup> 2017	Jan - Mar <sup>1)</sup> 2016	12 months April - March	Full-year 2016
Profit after financial items (rolling 12 months)	449	560	449	446
- Plus Interest expenses (rolling 12 months)	27	32	27	28
<b>Profit after financial items plus interest expenses (rolling 12 months)</b>	<b>476</b>	<b>592</b>	<b>476</b>	<b>475</b>
- Divided by TOTAL ASSETS, average over the past five quarters <sup>3)</sup>	5 463	5 439	5 463	5 430
<b>RETURN ON TOTAL CAPITAL, %</b>	<b>8,7</b>	<b>10,9</b>	<b>8,7</b>	<b>8,7</b>

<sup>3)</sup> TOTAL ASSETS SEK M	2017		2016			2015			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Total assets	5 528	5 452	5 466	5 481	5 387	5 361	5 426	5 392	5 627
<b>TOTAL ASSETS, average over the past five quarters</b>	<b>5 463</b>	<b>5 430</b>	<b>5 424</b>	<b>5 410</b>	<b>5 439</b>	<b>5 438</b>	<b>5 492</b>	<b>5 523</b>	<b>5 571</b>

RETURN ON CAPITAL EMPLOYED SEK M	Jan - Mar <sup>1)</sup> 2017	Jan - Mar <sup>1)</sup> 2016	12 months April - March	Full-year 2016
Profit after financial items (rolling 12 months)	449	560	449	446
- Plus Interest expenses (rolling 12 months)	27	32	27	28
<b>Profit after financial items plus interest expenses (rolling 12 months)</b>	<b>476</b>	<b>592</b>	<b>476</b>	<b>475</b>
- Divided by CAPITAL EMPLOYED, average over the past five quarters <sup>4)</sup>	4 122	4 165	4 122	4 107
<b>RETURN ON CAPITAL EMPLOYED, %</b>	<b>11,6</b>	<b>14,2</b>	<b>11,6</b>	<b>11,6</b>

<sup>1)</sup> The key figures for return on equity/total capital/capital employed are calculated on rolling 12 months for the period January - March.

4) CAPITAL EMPLOYED	2017		2016				2015			
SEK M	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
Total assets	5 528	5 452	5 466	5 481	5 387	5 361	5 426	5 392	5 627	
- Minus Deferred tax liabilities	-155	-163	-142	-148	-158	-169	-149	-156	-160	
- Minus Long-term liabilities, non-interest-bearing	-32	-24	-25	-25	-9	-8	-4	-3	-3	
- Minus Current liabilities, non-interest-bearing	-1 178	-1 199	-1 205	-1 154	-1 087	-1 099	-1 131	-1 068	-1 167	
<b>CAPITAL EMPLOYED</b>	<b>4 162</b>	<b>4 066</b>	<b>4 094</b>	<b>4 155</b>	<b>4 133</b>	<b>4 086</b>	<b>4 143</b>	<b>4 165</b>	<b>4 297</b>	
<b>CAPITAL EMPLOYED average over the past five quarters</b>	<b>4 122</b>	<b>4 107</b>	<b>4 122</b>	<b>4 136</b>	<b>4 165</b>	<b>4 134</b>	<b>4 180</b>	<b>4 216</b>	<b>4 256</b>	

GROSS MARGIN	Jan - Mar	Jan - Mar	12 months	Full-year
SEK M	2017	2016	April - March	2016
Net sales	1 482	1 391	5 877	5 786
- Minus Goods for resale	-688	-637	-2 737	-2 686
<b>Total</b>	<b>794</b>	<b>755</b>	<b>3 139</b>	<b>3 100</b>
- Divided by Net sales	1 482	1 391	5 877	5 786
<b>GROSS MARGIN, %</b>	<b>53,6</b>	<b>54,2</b>	<b>53,4</b>	<b>53,6</b>

EARNINGS PER SHARE	Jan - Mar	Jan - Mar	12 months	Full-year
SEK M	2017	2016	April - March	2016
Profit for the period	86	83	345	342
- Minus Non-controlling interests' share	-2	-1	-8	-7
<b>Profit for the period attributable to Parent Company's shareholders</b>	<b>84</b>	<b>82</b>	<b>337</b>	<b>335</b>
- Divided by Average number of shares <sup>5)</sup>	35 901 487	35 901 487	35 901 487	35 901 487
<b>EARNINGS PER SHARE, SEK</b>	<b>2,33</b>	<b>2,28</b>	<b>9,38</b>	<b>9,32</b>

SHAREHOLDERS' EQUITY PER SHARE	Jan - Mar	Jan - Mar	12 months	Full-year
SEK M	2017	2016	April - March	2016
Shareholders' equity	2 396	2 257	2 396	2 324
- Minus Non-controlling interests' share	-15	-13	-15	-14
<b>SHAREHOLDERS' EQUITY ATTRIBUTABLE TO PARENT COMPANY'S SHAREHOLDERS</b>	<b>2 381</b>	<b>2 244</b>	<b>2 381</b>	<b>2 311</b>
- Divided by Average number of shares at the end of period <sup>5)</sup>	35 901 487	35 901 487	35 901 487	35 901 487
<b>SHAREHOLDERS' EQUITY PER SHARE, SEK</b>	<b>66,3</b>	<b>62,5</b>	<b>66,3</b>	<b>64,4</b>

CASH FLOW PER SHARE	Jan - Mar	Jan - Mar	12 months	Full-year
SEK M	2017	2016	April - March	2016
Cash flow from operating activities	37	30	551	544
- Divided by Average number of shares <sup>5)</sup>	35 901 487	35 901 487	35 901 487	35 901 487
<b>CASH FLOW PER SHARE, SEK</b>	<b>1,0</b>	<b>0,8</b>	<b>15,3</b>	<b>15,1</b>

5) AVERAGE NUMBER OF SHARES	Jan - Mar	Jan - Mar	12 months	Full-year
	2017	2016	April - March	2016
Number of shares at the end of the period	35 901 487	35 901 487	35 901 487	35 901 487
- Multiplied by number of days that the Number of shares at the end of the period remained unchanged during the period	90	91	365	366
Number of shares at a different time during the period	0	0		0
- Multiplied by number of days that the Number of shares at a different time has existed during the period	0	0	0	0
- Total divided by number of days during the period	90	91	365	366
<b>AVERAGE NUMBER OF SHARES</b>	<b>35 901 487</b>	<b>35 901 487</b>	<b>35 901 487</b>	<b>35 901 487</b>

NET DEBT SEK M	31 March 2017	31 March 2016	31 December 2016
Long-term liabilities, interest-bearing	1 553	1 440	1 338
- Minus interest-bearing long-term liabilities and provisions for pensions, leasing, derivatives and similar obligations	-10	-11	-11
Current liabilities, interest-bearing	213	436	404
- Minus interest-bearing current liabilities and provisions for pensions, leasing, derivatives and similar obligations	-2	-2	-2
- Minus Cash and cash equivalents	-296	-238	-291
<b>NET DEBT</b>	<b>1 457</b>	<b>1 624</b>	<b>1 437</b>

## FINANCIAL DEFINITIONS

Return on shareholders' equity	Profit for the period, excluding non-controlling interests, as a percentage of average shareholders' equity attributable to Parent Company's shareholders. Average shareholders' equity attributable to Parent Company's shareholders is calculated as shareholders' equity attributable to Parent Company's shareholders at the end of the period plus the shareholders' equity for the four immediately preceding quarters attributable to the Parent Company's shareholders at the end of the period divided by five.
Return on capital employed	Profit after net financial items plus interest expenses as a percentage of average capital employed. Average capital employed is calculated as capital employed at the end of the period plus the capital employed for the four immediately preceding quarters divided by five.
Return on total capital	Profit after net financial items plus interest expenses as a percentage of average total assets. Average total assets is calculated as total assets at the end of the period plus the total assets for the four immediately preceding quarters at the end of the period divided by five.
Gross margin	Net sales less costs for goods for resale, as a percentage of net sales.
Gross profit	Revenue less costs for goods for resale.
EBIT margin	EBIT after depreciation/amortisation as a percentage of total revenue.
EBITA	EBIT after depreciation 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.
Shareholders' equity per share	Shareholders' equity excluding non-controlling interests, 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. Average number of shares is calculated as the average number of shares at the end of the period multiplied by the number of days that this number existed during the period plus any other number of shares during the period multiplied by the number of days that this or these numbers existed during the period, with the total divided by number of days during the period.
Cash and cash equivalents	Cash and cash equivalents comprise cash funds held at financial institutions and current liquid investments with a term from the date of acquisition of less than three months, which are exposed to only an insignificant risk of fluctuations in value. Cash and cash equivalents are recognised at nominal amounts.
Net debt	Current and long-term interest-bearing liabilities for borrowing, meaning excluding pensions, leasing, derivatives and similar obligations, less cash and cash equivalents.
Earnings per share	Profit for the period excluding non-controlling interests, in relation to the average number of shares. Average number of shares is calculated as the average number of shares at the end of the period multiplied by the number of days that this number existed during the period plus any other number of shares during the period multiplied by the number of days that this or these numbers existed during the period, with the total divided by number of days during the period.
Equity/assets ratio	Shareholders' equity including non-controlling interest as a percentage of total assets.
Capital employed	Total assets less non-interest-bearing liabilities and provisions including deferred tax liabilities.

## COMPANY-SPECIFIC TERMINOLOGY AND DEFINITIONS

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).
B2B	Sales of goods and services between companies (business-to-business).
B2C	Sales of goods and services between companies and consumers (business-to-consumer).
Proprietary stores	Stores with operations in subsidiaries, directly or indirectly majority owned, by Mekonomen AB.
Proprietary workshops	Workshops with operations in subsidiaries, directly or indirectly majority owned, by Mekonomen AB.
OBP	Own brand products, such as Mekonomen Group's own brand products ProMeister and Carwise.
Fleet operations	Mekonomen Group's offering to business customers comprising service and repairs of cars, sales of spare parts, accessories and tyre storage.
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.
Sales to customer group Affiliated workshops	Sales to affiliated workshops and sales to proprietary workshops.
Sales to customer group Consumer	Cash sales from proprietary stores to other customer groups than Affiliated workshops and Other B2B customers, and the Group's e-commerce sales to consumer.
Sales to customer group Partner stores	Sales to partner stores.
Sales to customer group Other B2B customers	Sales to company customers that are not affiliated to any of Mekonomen Group's concepts, including sales in the Fleet operations.
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.
Concept workshops	Affiliated workshops.
Lasingoo	The car portal that Mekonomen Group owns together with industry players that simplifies the workshop selection and booking processes for car owners.
ProMeister	Mekonomen Group's proprietary brand for high-quality spare parts with five-year guarantees.
Spare parts to cars	Parts that are necessary for a car to function.
Partner stores	Stores that are not proprietary, but conduct business under the Group's brands/store concepts.
Accessories to cars	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.
Underlying net sales	Sales adjusted for the number of comparable working days and currency effects.
Currency effects in the balance sheet	Impact of currency with respect to realised and unrealised revaluation of foreign current non-interest-bearing receivables and liabilities.
Currency transaction effects	Impact of currency with respect to internal sales from Mekonomen Grossist AB, as well as from MECA Car Parts AB to each country.
Currency translation effects	Impact of currency from translation of earnings from foreign subsidiaries to SEK.
Other operating revenue	Mainly comprises rental income, marketing subsidies and exchange-rate gains in Mekonomen Group.

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