

Mekonomen Group

Interim report January - June 2017

28 July 2017

Stable development in the quarter

1 April - 30 June 2017

- Revenue increased 1 per cent to SEK 1,584 M (1,573). Adjusted for currency effects and calculated on the comparable number of workdays, revenue increased 5 per cent. Sales in comparable units were unchanged.
- EBITA increased to SEK 203 M (189) and the EBITA margin increased to 13 per cent (12).
- EBIT rose to SEK 174 M (161) and the EBIT margin rose to 11 per cent (10).
- The gross margin improved to 54.5 per cent (53.6).
- Earnings per share, before and after dilution, increased to SEK 3.22 (3.02).
- Cash flow from operating activities amounted to SEK 134 M (228).
- Net debt at the end of the period amounted to SEK 1,615 M (1,684), compared with SEK 1,437 M at year end.
- Refinancing agreement of SEK 1,650 M, SEK 1,050 M with 5 years' maturity and SEK 600 M with 4.4 years' maturity, has been signed during the second quarter.
- Åsa Källenius has been recruited as new CFO with effect from 15 August.

| SUMMARY OF THE GROUP'S EARNINGS TREND SEK M | Apr - Jun 2017 | Apr - Jun 2016 | Chg. % | Jan - Jun 2017 | Jan - Jun 2016 | Chg. % | 12 months Jul - Jun | Full-year 2016 |
|--|----------------|----------------|--------|----------------|----------------|--------|---------------------|----------------|
| | | | | | | | | |
| Revenue | 1 584 | 1 573 | 1 | 3 102 | 2 997 | 4 | 6 042 | 5 937 |
| Operating profit before amortisation and impairment of intangible fixed assets (EBITA) | 203 | 189 | 8 | 358 | 337 | 6 | 615 | 594 |
| EBIT | 174 | 161 | 8 | 299 | 282 | 6 | 499 | 481 |
| Profit after financial items | 156 | 152 | 3 | 269 | 262 | 3 | 453 | 446 |
| Profit after tax | 118 | 112 | 6 | 204 | 194 | 5 | 352 | 342 |
| Earnings per share, SEK | 3,22 | 3,02 | 7 | 5,55 | 5,29 | 5 | 9,58 | 9,32 |
| EBITA margin, % | 13 | 12 | | 12 | 11 | | 10 | 10 |
| EBIT margin, % | 11 | 10 | | 10 | 9 | | 8 | 8 |

CEO's comments:

Stable development in the quarter

The second quarter has been characterised by stable sales, in line with the market development. Sales increased by 1 per cent compared to the second quarter last year. Sales growth, adjusted for number of workdays and currency effects, increased by 5 per cent in the quarter. EBIT improved to SEK 174 (161) M in the second quarter and cash flow from operating activities amounted to SEK 134 (228) M.

Sales to our affiliated workshops increased by 2 per cent in the quarter, negatively affected by less number of workdays compared to the same prior year period. Sales of spare parts under our own brand ProMeister had a good development during the quarter.

Due to Norway's ongoing transition to digital radio network, our sales of accessories in Norway were affected by increased sales of DAB products in the quarter, but with a negative impact on the gross margin. We expect continued good sales of these products for the remainder of 2017.

In the quarter, we have seen a recovery of the gross margin mainly affected by a more stable development in Mekonomen Sweden and decreased pressure on gross margin in our Norwegian businesses. The increasing share of sales to affiliated workshops and large customers, as well as increased sales of accessories, continued to affect the gross margin negatively in the quarter.

MECA and Sørensen og Balchen had a stable development in the quarter and the segments delivered sales growth and improved EBIT compared to same period last year. Mekonomen Norway presented a good growth in the quarter, but with a lower EBIT.

The sales development in Mekonomen Sweden was stabilised during the second quarter and the profitability was improved compared to the weak prior year period. Although the development was in the right direction, the work to gaining back market shares in Mekonomen Sweden is still a challenge and one of our main focus forward. The cost and efficiency program is progressing according to plan and contributed positively to the profitability in the quarter.

Market outlook

We estimate that the market was stable during the second quarter. For the full year we see potential for an increasing overall market, primarily affected by a strong sales of new cars in recent years and a growing car park in our main markets Sweden and Norway. For Mekonomen Group, the potential for a stronger market is primarily linked to an increased car park for cars three years and older.

Focus on profitable growth

The project to streamline the central warehouse structure in Sweden to one common central warehouse for MECA and Mekonomen is proceeding according to plan. The base slab has been cast for the extension of the building and will harden during the summer. Currently, our future picking stations and decanting stations are being completed in an adjacent area in the existing building. Also, the project for our new digital spare parts catalogue is proceeding according to plan and we plan to start the launch of this catalogue during 2017.

Our primary focus forward is still to drive profitable sales growth in all our segments. To assure for the future and to strengthen our position in the market, the focus is also on improving and broadening the offer to our affiliated workshops. A major challenge for the industry is the shortage of automotive engineers, a term that is more in time than the term mechanics. More cars running longer distances and fewer present workshops, have led Mekonomen Group to immediately recruit 100 new employees to our workshops. In order to facilitate for our workshops, we have also started to offer them support for recruitment.

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 other B2B customers and consumers.



GROUP REVENUE

| TOTAL REVENUE | Apr - Jun | Apr - Jun | | Jan - Jun | Jan - Jun | | 12 months | Full-year |
|---|--------------|--------------|----------|--------------|--------------|----------|--------------|--------------|
| DISTRIBUTION, SEK M | 2017 | 2016 | Chg, % | 2017 | 2016 | Chg, % | Jul - Jun | 2016 |
| Net sales, external, per segment | | | | | | | | |
| MECA | 543 | 534 | 2 | 1 094 | 1 034 | 6 | 2 099 | 2 039 |
| Mekonomen Sweden | 498 | 503 | -1 | 932 | 965 | -3 | 1 858 | 1 891 |
| Mekonomen Norway | 228 | 223 | 2 | 446 | 417 | 7 | 864 | 836 |
| Sørensen og Balchen | 211 | 192 | 10 | 425 | 364 | 17 | 786 | 725 |
| Other segments | 71 | 85 | -16 | 138 | 148 | -7 | 285 | 295 |
| Total net sales, Group | 1 552 | 1 537 | 1 | 3 034 | 2 928 | 4 | 5 892 | 5 786 |
| Other operating revenue | 31 | 37 | -14 | 68 | 69 | -2 | 150 | 151 |
| GROUP REVENUE | 1 584 | 1 573 | 1 | 3 102 | 2 997 | 4 | 6 042 | 5 937 |

| GROWTH PER CENT | MECA | | Mekonomen Sweden | | Mekonomen Norway | | Sørensen og Balchen | | Group | |
|-------------------------|------------|------------|------------------|-------------|------------------|------------|---------------------|-------------|------------|------------|
| | Q2 | Jan - Jun | Q2 | Jan - Jun | Q2 | Jan - Jun | Q2 | Jan - Jun | Q2 | Jan - Jun |
| Underlying increase | 5,5 | 3,0 | 4,1 | -3,4 | 5,5 | 0,8 | 13,9 | 10,1 | 4,8 | 0,9 |
| Currency effects | 1,8 | 2,8 | 0,0 | 0,0 | 3,8 | 6,0 | 4,1 | 6,6 | 1,6 | 2,6 |
| Effect, workdays | -5,6 | 0,0 | -5,0 | 0,0 | -7,0 | 0,0 | -7,6 | 0,0 | -5,8 | 0,0 |
| Nominal increase | 1,7 | 5,8 | -1,0 | -3,4 | 2,2 | 6,8 | 10,4 | 16,7 | 0,7 | 3,5 |

| SALES IN COMPARABLE UNITS | Group | |
|--|---------------------|----------------|
| - growth compared with the same period previous year | Second quarter 2017 | Jan - Jun 2017 |
| PER CENT | | |
| Sales growth in comparable units | -0,4 | 1,9 |

1 April - 30 June 2017

Revenue rose 1 per cent to SEK 1,584 M (1,573). Adjusted for positive currency effects of SEK 26 M, revenue decreased 1 per cent. During the quarter, the number of workdays was three days less in Sweden and Finland, and four days less in Norway, compared with year-earlier period, due to Easter occurred during the first quarter last year and during second quarter this year. Calculated on comparable workdays and adjusted for currency effects, revenue rose 5 per cent. Sales in comparable units were unchanged.

1 January - 30 June 2017

Revenue increased 4 per cent to SEK 3,102 M (2,997). Adjusted for positive currency effects of SEK 78 M, revenue rose 1 per cent. The number of workdays was unchanged in Sweden, Norway and Finland during the six-month period compared with last year. Calculated on comparable workdays and adjusted for currency effects, revenue improved 1 per cent. Sales in comparable units rose 2 per cent.

GROUP PERFORMANCE

1 April - 30 June 2017

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

EBITA increased to SEK 203 M (189) and the EBITA margin rose to 13 per cent (12). In the comparative period, the second quarter 2016, MECA's export business to Denmark had a negative impact of SEK 4 M on EBITA.

In addition, non-recurring effects of SEK 9 M had a negative effect on EBITA in the comparative period of which SEK 7 M affected the gross margin negatively. Currency effects in the balance sheet had a negative impact of SEK 5 M (neg: 1) on EBITA.

Operating profit, EBIT

EBIT rose to SEK 174 M (161) and EBIT margin increased to 11 per cent (10). In the comparative period, the second quarter 2016, MECA's export business to Denmark had a negative effect on EBIT of SEK 4 M.

In addition, non-recurring effects of SEK 9 M had a negative effect on EBIT in the comparative period of which SEK 7 M affected the gross margin negatively. Currency effects in the balance sheet had a negative impact of SEK 5 M (neg: 1) on EBIT in the quarter.

Other earnings

Profit after financial items increased to SEK 156 M (152). Net interest expense amounted to SEK 6 M (expense: 6) and other financial items to an expense of SEK 12 M (expense: 3). Costs affecting comparability of SEK 4 M (0) related to refinancing of existing loans had a negative impact on other financial items. Profit after tax rose to SEK 118 M (112). 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 the tax expense. Earnings per share, before and after dilution, increased to SEK 3.22 (3.02).

1 January - 30 June 2017

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

EBITA improved to SEK 358 M (337) and EBITA margin rose to 12 per cent (11). In the comparative period, the first six-month period 2016, MECA's export business to Denmark had a negative impact of SEK 9 M on EBITA.

EBITA was also negatively affected by non-recurring effects of SEK 9 M in the comparative period. Currency effects in the balance sheet had a negative effect of SEK 2 M (neg: 3) on EBITA.

Operating profit, EBIT

EBIT increased to SEK 299 M (282) and EBIT margin rose to 10 per cent (9). In the comparative period, the first six-month period 2016, MECA's export business to Denmark had a negative effect on EBIT of SEK 9 M. EBIT was also negatively affected by non-recurring effects of SEK 9 M in the comparative period. Currency effects in the balance sheet had a negative impact of SEK 2 M (neg: 3) on EBIT.

Other earnings

Profit after financial items improved to SEK 269 M (262). Net interest expenses amounted to SEK 12 M (expense: 13) and other financial items to an expense of SEK 19 M (expense: 8). Other financial items were negatively affected by items affecting comparability of SEK 4 M (neg: 1). Profit after tax rose to SEK 204 M (194). In Norway, corporate tax was reduced from 25 per cent to 24 per cent as of 2017, which had a positive impact of SEK 2 M on the tax expense. Earnings per share, before and after dilution, rose to SEK 5.55 (5.29).

FINANCIAL POSITION AND CASH FLOW

Cash flow from operating activities amounted to SEK 134 M (228) for the second quarter and to SEK 172 M (258) for the six-month period. Tax paid amounted to SEK 74 M (40) for the second quarter and SEK 153 M (119) for the six-month period. Cash and cash equivalents amounted to SEK 268 M (317) compared with SEK 291 M at year-end. The equity/assets ratio was 41 per cent (39). Long term interest-bearing liabilities was SEK 1,526 M (1,407) compared with SEK 1,338 M at year-end. Current interest-bearing liabilities amounted to SEK 369 M (608), compared with SEK 404 M at year-end. The borrowing capacity has been expanded with SEK 258 M since year-end.

Net debt amounted to SEK 1,615 M (1,684) compared with SEK 1,437 M at year-end, which represents an increase of SEK 178 M since year-end. The increase in net debt was largely attributable to dividends of SEK 258 M, of which SEK 251 M were dividends to the Parent Company's shareholders, which were paid during the second quarter, and the effect of repayments, investments and acquisitions and a positive operating cash flow. During the quarter, loans were amortised by SEK 34 M and by SEK 68 M during the six-month period. In addition, the loans have been renegotiated during the second quarter with one loan of SEK 600 M with 4.4 years' maturity and one loan of SEK 1,050 M with 5-years' maturity.

INVESTMENTS

During the second quarter, investments in fixed assets amounted to SEK 28 M (28) and to SEK 55 M (48) in the six-month period. Depreciation and impairment of tangible fixed assets amounted to SEK 15 M (15) for the second quarter and to SEK 30 M (29) MSEK for the six-month period.

During the second quarter, company and business acquisitions amounted to SEK 8 M (21) and to SEK 43 M (27) in the six-month period, of which SEK 2 M (12) pertained to estimated supplementary purchase consideration for the second quarter and SEK 12 M (12) for the six-month period. During the quarter supplementary purchase considerations have also been paid out by SEK 0 M (0) and by SEK 3 M (0) in the six-month period. Acquired assets totalled SEK 11 M (3) and assumed liabilities to SEK 0 M (0) for the six-month period. In addition to goodwill, which amounted to SEK 13 M (5), intangible surplus values of SEK 20 M (19) 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 (0) for the second quarter and to SEK 6 M (3) for the six-month period. No minority shares have been divested during the six-month period. Divested business amounted to SEK 0 M (0) in the second quarter and in the six-month period.

ACQUISITIONS AND START-UPS

Second quarter

Mekonomen Sweden acquired minority shares in one store and Mekonomen Norway acquired minority shares in one store and in one workshop, all for a minor amount. MECA acquired one store in Trelleborg, Sweden. Mekonomen Sweden started up one store in Karlstad, Sweden and Sørensen og Balchen started up one store in Bø, Norway.

Earlier in the year

Mekonomen Sweden acquired minority shares in two stores and Sørensen og Balchen acquired minority shares in one workshop, all for a minor amount. Mekonomen Norway acquired two partnership stores in Mosjön and Mo i Rana, respectively and a workshop in Halden, Norway. MECA acquired two stores, one in Västervik and one in Visby, Sweden. MECA also acquired operations of heavy workshop equipments 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 344 (343), of which 265 (262) were proprietary stores. The number of affiliated workshops totalled 2,018 (2,137). See the distribution in the table on page 16.

EMPLOYEES

At the end of the period, the number of employees was 2,255 (2,366) and average number of employees during the period was 2,252 (2,314). See the distribution in the table on page 17.

PERFORMANCE BY SEGMENT

MECA SEGMENT

| MECA SEK M | Apr - Jun 2017 | Apr - Jun 2016 | Chg, % | Jan - Jun 2017 | Jan - Jun 2016 | Chg, % | 12 months Jul - Jun | Full-year 2016 |
|--|-------------------|-------------------|--------|-------------------|-------------------|--------|------------------------|-------------------|
| Net sales, external | 543 | 534 | 2 | 1 094 | 1 034 | 6 | 2 099 | 2 039 |
| Operating profit before amortisation and impairment of intangible fixed assets (EBITA) | 90 | 85 | 6 | 167 | 148 | 13 | 236 | 217 |
| EBIT | 87 | 82 | 5 | 159 | 142 | 12 | 222 | 205 |
| EBITA margin, % | 17 | 16 | | 15 | 14 | | 11 | 10 |
| EBIT margin, % | 16 | 15 | | 14 | 14 | | 10 | 10 |
| Number of stores/of which proprietary | | | | 86 / 76 | 85 / 75 | | | 85 / 75 |
| Number of Mekonomen Service Centres | | | | - | 95 | | | - |
| Number of MekoPartner | | | | - | 32 | | | - |
| Number of MECA Car Service | | | | 703 | 689 | | | 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 Preqas (renamed from Opus Equipment as of 1 July, 2017), which operate for the entire Mekonomen Group.

Increase of sales to MECA Car Service workshops and sales growth in Preqas have been key factors behind MECA's sales growth during the quarter, compared to the second quarter last year. Also an increase in sales of DAB products in Norway and currency effects had a positive effect on sales in the quarter. The improved gross margin in the first quarter has continued in the second quarter.

In the comparative periods, the second quarter and the six-month period 2016, MECA's export business to Denmark had a negative effect on EBIT of SEK 4 M and SEK 9 M, respectively.

The currency effect on net sales against the NOK was a positive SEK 10 M in the quarter and positive SEK 28 M in the six-month period. The number of workdays was three less in Sweden and four less in Norway compared to the second quarter last year and unchanged in the six-month period. Underlying net sales rose 5 per cent in the second quarter and rose 3 per cent in the six-month period. MECA's EBIT increased to SEK 87 M (82) for the second quarter and the EBIT margin rose to 16 per cent (15).

MEKONOMEN SWEDEN SEGMENT

| MEKONOMEN SWEDEN SEK M | Apr - Jun 2017 | Apr - Jun 2016 | Chg, % | Jan - Jun 2017 | Jan - Jun 2016 | Chg, % | 12 months Jul - Jun | Full-year 2016 |
|--|-------------------|-------------------|--------|-------------------|-------------------|--------|------------------------|-------------------|
| Net sales, external | 498 | 503 | -1 | 932 | 965 | -3 | 1 858 | 1 891 |
| Operating profit before amortisation and impairment of intangible fixed assets (EBITA) | 56 | 40 | 41 | 97 | 93 | 4 | 194 | 190 |
| EBIT | 56 | 39 | 42 | 95 | 91 | 4 | 191 | 187 |
| EBITA margin, % | 11 | 8 | | 10 | 9 | | 10 | 10 |
| EBIT margin, % | 11 | 8 | | 10 | 9 | | 10 | 10 |
| Number of stores/of which proprietary | | | | 133 / 113 | 134 / 114 | | | 132 / 112 |
| Number of Mekonomen Service Centres | | | | 421 | 438 | | | 427 |
| Number of MekoPartner | | | | 133 | 124 | | | 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 12 M in the second quarter 2016 and to SEK 15 M in the six-month period 2016. EBIT amounted to SEK 1 M in the second quarter 2016 and to SEK -1 M in the six-month period 2016. 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 sales development was stabilised and the gross margin improved in the second quarter, compared to the weak prior year period. The cost and efficiency program continues according to plan and has contributed to increased profitability in the quarter.

In the comparative period, the second quarter 2016, non-recurring effects of SEK 9 M had a negative effect on EBIT, of which SEK 7 M affected the gross margin negatively.

The number of workdays was three less in Sweden compared to the second quarter last year and unchanged for the six-month period. Underlying net sales rose 4 per cent in the second quarter and decreased 3 per cent in the six-month period. EBIT improved to SEK 56 M (39) for the second quarter and the EBIT margin increased to 11 per cent (8).

MEKONOMEN NORWAY SEGMENT

| MEKONOMEN NORWAY SEK M | Apr - Jun 2017 | Apr - Jun 2016 | Chg. % | Jan - Jun 2017 | Jan - Jun 2016 | Chg. % | 12 months Jul - Jun | Full-year 2016 |
|--|-------------------|-------------------|--------|-------------------|-------------------|--------|------------------------|-------------------|
| Net sales, external | 228 | 223 | 2 | 446 | 417 | 7 | 864 | 836 |
| Operating profit before amortisation and impairment of intangible fixed assets (EBITA) | 33 | 42 | -21 | 60 | 69 | -13 | 123 | 132 |
| EBIT | 33 | 42 | -21 | 60 | 69 | -13 | 123 | 132 |
| EBITA margin, % | 14 | 18 | | 13 | 16 | | 14 | 15 |
| EBIT margin, % | 14 | 18 | | 13 | 16 | | 14 | 15 |
| Number of stores/of which proprietary | | | | 45 / 34 | 45 / 32 | | | 45 / 32 |
| Number of Mekonomen Service Centres | | | | 329 | 351 | | | 339 |
| Number of MekoPartner | | | | 95 | 94 | | | 93 |

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

The key drivers of Mekonomen Norway's growth during the quarter were sales of DAB products and sales growth to affiliated workshops. Gross margin was lower compared to the second quarter last year, but higher compared to the first quarter. Sales growth in DAB products, with lower margins, was balanced up by relief in the gross margin pressure in the second quarter.

The currency effect on net sales against the NOK was a positive SEK 9 M in the second quarter and a positive SEK 25 M in the six-month period. The number of workdays was four less in Norway compared to the second quarter last year and unchanged in the six-month period. Underlying net sales rose 5 per cent in the second quarter and increased 1 per cent in the six-month period. EBIT amounted to SEK 33 M (42) for the second quarter and the EBIT margin amounted to 14 per cent (18).

SØRENSEN OG BALCHEN SEGMENT

| SØRENSEN OG BALCHEN SEK M | Apr - Jun 2017 | Apr - Jun 2016 | Chg. % | Jan - Jun 2017 | Jan - Jun 2016 | Chg. % | 12 months Jul - Jun | Full-year 2016 |
|--|-------------------|-------------------|--------|-------------------|-------------------|--------|------------------------|-------------------|
| Net sales, external | 211 | 192 | 10 | 425 | 364 | 17 | 786 | 725 |
| Operating profit before amortisation and impairment of intangible fixed assets (EBITA) | 39 | 36 | 9 | 67 | 59 | 13 | 125 | 117 |
| EBIT | 39 | 36 | 9 | 67 | 59 | 13 | 124 | 117 |
| EBITA margin, % | 18 | 18 | | 15 | 16 | | 16 | 16 |
| EBIT margin, % | 18 | 18 | | 15 | 16 | | 15 | 16 |
| Number of stores/of which proprietary | | | | 73 / 38 | 71 / 36 | | | 72 / 37 |
| Number of BilXtra | | | | 261 | 252 | | | 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 sales in DAB products. Sørensen og Balchen has had a good cost control.

The currency effect on net sales against NOK was a positive SEK 8 M in the second quarter and a positive SEK 24 M in the six-month period. The number of workdays was four less in Norway compared to the second quarter last year and unchanged in the six-month period. Underlying net sales improved 14 per cent in the second quarter and rose 10 per cent in the six-month period. EBIT increased to SEK 39 M (36) for the second quarter and the EBIT margin amounted to 18 per cent (18).

SALES GROWTH PER CUSTOMER GROUP

| GROWTH PER CUSTOMER GROUP | | April - June 2017 | | | | January - June 2017 | | | |
|--|----------------------|-------------------|------|--------|----------------------|---------------------|-----|--------|---------|
| - growth compared with the same period previous year | | Consumers | | Other | Partner | Consumers | | Other | Partner |
| PER CENT | Affiliated workshops | B2B customers | | stores | Affiliated workshops | B2B customers | | stores | |
| Nominal growth | 2,1 | -1,3 | -0,6 | -4,5 | 5,6 | -1,6 | 4,0 | -2,1 | |
| Currency adjusted growth | 0,6 | -2,9 | -1,9 | -6,7 | 3,2 | -3,8 | 1,5 | -5,2 | |

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 | Q1 | | | Q2 | | | Q3 | | | Q4 | | | Full-year | | |
|------------|------|------|------|------|------|------|------|------|------|------|------|------|-----------|------|------|
| BY COUNTRY | 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 negative SEK 18 M (neg: 10) for the second quarter and negative SEK 27 M (neg: 22) for the six-month period, excluding share of dividend from subsidiaries of SEK 315 M (47) for the six-month period. The average number of employees was 5 (6). During the second quarter, Mekonomen AB sold goods and services to Group companies for a total of SEK 11 M (9) and for SEK 22 M (18) in the six-month period.

"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 services Mekonomen car share and Mekonomen car leasing, our joint venture in Poland (InterMeko Europa), 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 affiliated company Automotive Web Solutions AB was divested during the second quarter. The units reported in "Other segments" do not reach quantitative limits for separate reporting, and the benefits of reporting them as own segments are considered limited for the financial reports' users. EBIT for "Other segments" amounted to negative SEK 22 M (neg: 19) in the second quarter and to negative SEK 44 M (neg: 42) in the six-month period.

"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 second quarter and an expense of SEK 38 M (expense: 38) for the six-month period.

CHANGES IN GROUP MANAGEMENT

Mekonomen Group has recruited Åsa Källenius as new CFO with start 15 August 2017. Per Hedblom has left the position as CFO as of 14 June 2017. Karl Lindström has been appointed as interim CFO for Mekonomen Group for the period 15 June until 14 August 2017.

EVENTS AFTER THE END OF THE PERIOD

No 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 1-22 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

| Information | Period | Date |
|--------------------|--------------------------|------------------|
| 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 |

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, 28 July 2017

Mekonomen AB (publ), org.nr 556392-1971

John S. Quinn
Chairman

Christer Åberg
Executive Vice Chairman

Kenny Bräck
Board member

Joseph M. Holsten
Board member

Magnus Håkansson
Board member

Malin Persson
Board member

Helena Skåntorp
Board member

Pehr Oscarson
President and CEO

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

For further information, please contact:

Pehr Oscarson, President and CEO, Mekonomen AB, tel: +46 (0)8-464 00 00

Karl Lindström, interim CFO, Mekonomen AB, tel: +46 (0)8-464 00 00

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 28 July 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 | Apr - Jun 2017 | Apr - Jun 2016 | Jan - Jun 2017 | Jan - Jun 2016 | 12 months Jul - Jun | Full-year 2016 |
|---|----------------|----------------|----------------|----------------|---------------------|----------------|
| Net sales | 1 552 | 1 537 | 3 034 | 2 928 | 5 892 | 5 786 |
| Other operating revenue | 31 | 37 | 68 | 69 | 150 | 151 |
| Total revenue | 1 584 | 1 573 | 3 102 | 2 997 | 6 042 | 5 937 |
| Goods for resale | -707 | -713 | -1 395 | -1 350 | -2 731 | -2 686 |
| Other external costs | -314 | -320 | -626 | -616 | -1 238 | -1 229 |
| Personnel expenses | -345 | -337 | -693 | -664 | -1 395 | -1 366 |
| Operating profit before depreciation/ amortisation and impairment of tangible and intangible fixed assets (EBITDA) | 218 | 203 | 388 | 366 | 678 | 656 |
| Depreciation and impairment of tangible fixed assets | -15 | -15 | -30 | -29 | -63 | -62 |
| Operating profit before amortisation and impairment of intangible fixed assets (EBITA) | 203 | 189 | 358 | 337 | 615 | 594 |
| Amortisation and impairment of intangible fixed assets | -30 | -28 | -59 | -55 | -116 | -113 |
| EBIT | 174 | 161 | 299 | 282 | 499 | 481 |
| Interest income | 1 | 1 | 2 | 2 | 5 | 5 |
| Interest expenses | -7 | -7 | -14 | -15 | -27 | -28 |
| Other financial items | -12 | -3 | -19 | -8 | -23 | -12 |
| Profit after financial items | 156 | 152 | 269 | 262 | 453 | 446 |
| Tax | -38 | -40 | -65 | -67 | -102 | -105 |
| PROFIT FOR THE PERIOD | 118 | 112 | 204 | 194 | 352 | 342 |
| | | | | | | |
| Profit for the period attributable to: | | | | | | |
| Parent Company's shareholders | 116 | 108 | 199 | 190 | 344 | 335 |
| Non-controlling interests | 3 | 3 | 5 | 4 | 8 | 7 |
| PROFIT FOR THE PERIOD | 118 | 112 | 204 | 194 | 352 | 342 |
| | | | | | | |
| Earnings per share, before and after dilution, SEK | | | | | | |
| Profit for the period | 3,22 | 3,02 | 5,55 | 5,29 | 9,58 | 9,32 |

| CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, SEK M | Apr - Jun 2017 | Apr - Jun 2016 | Jan - Jun 2017 | Jan - Jun 2016 | 12 months Jul - Jun | Full-year 2016 |
|---|-------------------|-------------------|-------------------|-------------------|------------------------|-------------------|
| Profit for the period | 118 | 112 | 204 | 194 | 352 | 342 |
| Other comprehensive income: | | | | | | |
| <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 ¹⁾ | -32 | 30 | -41 | 56 | 8 | 105 |
| - Cash-flow hedges ²⁾ | 1 | -1 | 1 | -5 | 2 | -4 |
| Other comprehensive income/loss, net after tax | -31 | 29 | -40 | 51 | 9 | 100 |
| COMPREHENSIVE INCOME FOR THE PERIOD | 87 | 141 | 164 | 246 | 360 | 442 |
| Comprehensive income for the period attributable to: | | | | | | |
| Parent Company's shareholders | 85 | 138 | 160 | 241 | 353 | 434 |
| Minority owners | 2 | 3 | 5 | 5 | 8 | 8 |
| COMPREHENSIVE INCOME FOR THE PERIOD | 87 | 141 | 164 | 246 | 360 | 442 |

1) As of 30 June 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 M (1) and SEK 0 M (2) for the six-month period and SEK 3 M for the full year 2016.

2) 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 2017 | 30 June 2016 | 31 December 2016 |
|--|-----------------|-----------------|---------------------|
| ASSETS¹⁾ | | | |
| Intangible fixed assets | 2 725 | 2 756 | 2 757 |
| Tangible fixed assets | 186 | 177 | 181 |
| Financial fixed assets | 42 | 51 | 46 |
| Deferred tax assets | 77 | 55 | 77 |
| Goods for resale | 1 263 | 1 219 | 1 279 |
| Current receivables | 905 | 906 | 821 |
| Cash and cash equivalents | 268 | 317 | 291 |
| TOTAL ASSETS | 5 465 | 5 481 | 5 452 |
| | | | |
| SHAREHOLDERS' EQUITY AND LIABILITIES¹⁾ | | | |
| Shareholders' equity | 2 224 | 2 139 | 2 324 |
| Long-term liabilities, interest-bearing | 1 526 | 1 407 | 1 338 |
| Deferred tax liabilities | 149 | 148 | 163 |
| Long-term liabilities, non-interest-bearing | 35 | 25 | 24 |
| Current liabilities, interest-bearing | 369 | 608 | 404 |
| Current liabilities, non-interest-bearing | 1 162 | 1 154 | 1 199 |
| TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES | 5 465 | 5 481 | 5 452 |

¹⁾ 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 2017 | 30 June 2016 | 31 December 2016 |
|--|-----------------|-----------------|---------------------|
| Shareholders' equity at the beginning of the year | 2 324 | 2 155 | 2 155 |
| Comprehensive income for the period | 164 | 246 | 442 |
| Acquisition/divestment of non-controlling interests | -6 | -3 | -14 |
| Dividend to shareholders | -258 | -259 | -259 |
| SHAREHOLDERS' EQUITY AT THE END OF THE PERIOD | 2 224 | 2 139 | 2 324 |
| Of which, non-controlling interests | 12 | 10 | 14 |

| CONDENSED CONSOLIDATED CASH-FLOW STATEMENT, SEK M | Apr - Jun 2017 | Apr - Jun 2016 | Jan - Jun 2017 | Jan - Jun 2016 | 12 months Jul - Jun | Full-year 2016 |
|---|-------------------|-------------------|-------------------|-------------------|------------------------|-------------------|
| Operating activities | | | | | | |
| Cash flow from operating activities before changes in working capital, excluding tax paid | 204 | 196 | 366 | 349 | 660 | 642 |
| Tax paid | -74 | -40 | -153 | -119 | -187 | -153 |
| Cash flow from operating activities before changes in working capital | 130 | 156 | 213 | 229 | 473 | 489 |
| Cash flow from changes in working capital: | | | | | | |
| Changes in inventory | -23 | -2 | -1 | 38 | -78 | -40 |
| Changes in receivables | 16 | 6 | -62 | -75 | 46 | 33 |
| Changes in liabilities | 12 | 68 | 21 | 66 | 16 | 61 |
| Increase (-)/decrease (+) restricted working capital | 5 | 72 | -41 | 29 | -16 | 54 |
| Cash-flow from operating activities | 134 | 228 | 172 | 258 | 457 | 544 |
| Cash flow from investing activities | -31 | -30 | -84 | -56 | -122 | -94 |
| Cash flow from financing activities | -129 | -120 | -109 | -182 | -393 | -466 |
| CASH FLOW FOR THE PERIOD | -26 | 78 | -22 | 19 | -57 | -16 |
| | | | | | | |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD | 296 | 238 | 291 | 295 | 317 | 295 |
| Exchange-rate difference in cash and cash equivalents | -2 | 1 | -1 | 3 | 9 | 12 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | 268 | 317 | 268 | 317 | 268 | 291 |

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 | 30 June 2017 | 30 June 2016 |
|--|-----------------|-----------------|
| FINANCIAL ASSETS | | |
| Derivatives: Currency swaps | - | - |
| Interest-rate swaps | - | - |
| TOTAL | - | - |
| FINANCIAL LIABILITIES | | |
| Derivatives: Currency swaps | - | - |
| Interest-rate swaps | 6 | 9 |
| TOTAL | 6 | 9 |

| GROUP'S FINANCIAL ASSETS AND LIABILITIES BY MEASUREMENT CATEGORY, 30 June 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 |
| FINANCIAL ASSETS | | | | | | | |
| Financial fixed assets | - | 40 | - | 40 | 40 | 2 | 42 |
| Accounts receivable | - | 593 | - | 593 | 593 | - | 593 |
| Other current receivables | - | - | - | - | - | 312 | 312 |
| Cash and cash equivalents | - | 268 | - | 268 | 268 | - | 268 |
| TOTAL | - | 901 | - | 901 | 901 | 314 | 1 215 |
| FINANCIAL LIABILITIES | | | | | | | |
| Long-term liabilities, interest-bearing | 6 | - | 1 521 | 1 526 | 1 526 | - | 1 526 |
| Current liabilities, interest-bearing | - | - | 369 | 369 | 369 | - | 369 |
| Accounts payable | - | - | 538 | 538 | 538 | - | 538 |
| Other current liabilities | - | - | - | - | - | 624 | 624 |
| TOTAL | 6 | - | 2 427 | 2 432 | 2 432 | 624 | 3 057 |

| QUARTERLY DATA, SEGMENTS | 2017 | | | 2016 | | | | | 2015 | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Q2 | Q1 | FY | Q4 | Q3 | Q2 | Q1 | FY | Q4 | Q3 | Q2 | Q1 |
| NET SALES, SEK M ¹⁾ | | | | | | | | | | | | |
| MECA | 543 | 551 | 2 039 | 528 | 477 | 534 | 500 | 1 871 | 489 | 466 | 473 | 444 |
| Mekonomen Sweden ²⁾ | 498 | 434 | 1 891 | 470 | 456 | 503 | 462 | 1 925 | 493 | 468 | 515 | 449 |
| Mekonomen Norway | 228 | 217 | 836 | 210 | 209 | 223 | 194 | 814 | 191 | 195 | 224 | 204 |
| Sørensen og Balchen | 211 | 213 | 725 | 182 | 179 | 192 | 172 | 729 | 159 | 179 | 201 | 191 |
| Other segments ³⁾ | 71 | 67 | 295 | 76 | 71 | 85 | 63 | 285 | 83 | 66 | 77 | 60 |
| GROUP | 1 552 | 1 482 | 5 786 | 1 466 | 1 392 | 1 537 | 1 391 | 5 624 | 1 415 | 1 374 | 1 489 | 1 346 |
| | | | | | | | | | | | | |
| EBITA, SEK M | | | | | | | | | | | | |
| MECA | 90 | 76 | 217 | 16 | 53 | 85 | 62 | 258 | 52 | 54 | 80 | 71 |
| Mekonomen Sweden ²⁾ | 56 | 40 | 190 | 42 | 56 | 40 | 53 | 289 | 53 | 78 | 92 | 65 |
| Mekonomen Norway | 33 | 27 | 132 | 28 | 35 | 42 | 27 | 151 | 25 | 39 | 51 | 36 |
| Sørensen og Balchen | 39 | 28 | 117 | 29 | 29 | 36 | 24 | 117 | 26 | 30 | 35 | 25 |
| Other segments ³⁾ | -16 | -17 | -63 | -11 | -20 | -15 | -17 | -87 | -20 | -5 | -35 | -28 |
| GROUP | 203 | 155 | 594 | 103 | 154 | 189 | 149 | 726 | 138 | 196 | 224 | 169 |
| | | | | | | | | | | | | |
| EBIT, SEK M | | | | | | | | | | | | |
| MECA | 87 | 73 | 205 | 13 | 50 | 82 | 60 | 245 | 49 | 51 | 77 | 68 |
| Mekonomen Sweden ²⁾ | 56 | 39 | 187 | 40 | 55 | 39 | 52 | 287 | 53 | 77 | 92 | 65 |
| Mekonomen Norway | 33 | 27 | 132 | 28 | 35 | 42 | 27 | 151 | 25 | 39 | 51 | 35 |
| Sørensen og Balchen | 39 | 28 | 117 | 29 | 29 | 36 | 24 | 116 | 26 | 30 | 35 | 25 |
| Other segments ³⁾ | -22 | -22 | -84 | -16 | -25 | -19 | -23 | -106 | -26 | -9 | -39 | -32 |
| Other items ⁴⁾ | -19 | -19 | -77 | -19 | -19 | -19 | -19 | -77 | -19 | -19 | -19 | -19 |
| GROUP | 174 | 126 | 481 | 74 | 125 | 161 | 121 | 616 | 109 | 168 | 197 | 142 |
| | | | | | | | | | | | | |
| INVESTMENTS, SEK M ⁵⁾ | | | | | | | | | | | | |
| MECA | 6 | 6 | 16 | 6 | 3 | 4 | 3 | 17 | 5 | 2 | 2 | 8 |
| Mekonomen Sweden ²⁾ | 8 | 6 | 30 | 14 | 5 | 5 | 6 | 29 | 12 | 2 | 6 | 9 |
| Mekonomen Norway | 0 | 1 | 3 | 1 | 0 | 1 | 1 | 4 | 1 | 1 | 1 | 1 |
| Sørensen og Balchen | 1 | 1 | 5 | 2 | 1 | 1 | 1 | 3 | 1 | 0 | 1 | 1 |
| Other segments ³⁾ | 13 | 12 | 57 | 21 | 11 | 18 | 8 | 50 | 14 | 14 | 14 | 8 |
| GROUP | 28 | 27 | 111 | 43 | 20 | 28 | 20 | 103 | 33 | 19 | 24 | 28 |
| | | | | | | | | | | | | |
| EBITA MARGIN, % | | | | | | | | | | | | |
| MECA | 17 | 14 | 10 | 3 | 11 | 16 | 12 | 14 | 11 | 12 | 17 | 16 |
| Mekonomen Sweden ²⁾ | 11 | 9 | 10 | 8 | 12 | 8 | 11 | 14 | 10 | 16 | 17 | 14 |
| Mekonomen Norway | 14 | 12 | 15 | 13 | 16 | 18 | 14 | 18 | 13 | 19 | 22 | 17 |
| Sørensen og Balchen | 18 | 13 | 16 | 16 | 16 | 18 | 14 | 16 | 16 | 16 | 17 | 13 |
| GROUP | 13 | 10 | 10 | 7 | 11 | 12 | 10 | 13 | 10 | 14 | 15 | 12 |
| | | | | | | | | | | | | |
| EBIT MARGIN, % | | | | | | | | | | | | |
| MECA | 16 | 13 | 10 | 2 | 10 | 15 | 12 | 13 | 10 | 11 | 16 | 15 |
| Mekonomen Sweden ²⁾ | 11 | 9 | 10 | 8 | 12 | 8 | 11 | 14 | 10 | 16 | 17 | 14 |
| Mekonomen Norway | 14 | 12 | 15 | 13 | 16 | 18 | 14 | 18 | 13 | 19 | 22 | 17 |
| Sørensen og Balchen | 18 | 13 | 16 | 16 | 16 | 18 | 13 | 16 | 16 | 16 | 17 | 13 |
| GROUP | 11 | 8 | 8 | 5 | 9 | 10 | 9 | 11 | 8 | 12 | 13 | 10 |

¹⁾ Net sales for each segment are from external customers.

²⁾ 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 12 M for the second quarter 2016 and EBIT was SEK 1 M, for the full year 2016 net sales amounted to SEK 29 M and EBIT amounted to SEK -1 M.

³⁾ "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, the services Mekonomen car share and Mekonomen car leasing, our joint venture in Poland (InterMeko Europa), 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. The affiliated company Automotive Web Solutions AB was divested during the second quarter 2017.

⁴⁾ "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.

⁵⁾ Investments do not include company and business combinations.

| QUARTERLY DATA, SEK M | 2017 | | 2016 | | | | | 2015 ¹⁾ | | | | |
|------------------------------------|-------|-------|-------|-------|-------|-------|-------|--------------------|-------|-------|-------|-------|
| | Q2 | Q1 | FY | Q4 | Q3 | Q2 | Q1 | FY | Q4 | Q3 | Q2 | Q1 |
| Revenue | 1 584 | 1 518 | 5 937 | 1 508 | 1 432 | 1 573 | 1 424 | 5 761 | 1 447 | 1 405 | 1 527 | 1 382 |
| EBITDA | 218 | 170 | 656 | 121 | 168 | 203 | 163 | 784 | 151 | 210 | 239 | 184 |
| EBITA | 203 | 155 | 594 | 103 | 154 | 189 | 149 | 726 | 138 | 196 | 224 | 169 |
| EBIT | 174 | 126 | 481 | 74 | 125 | 161 | 121 | 616 | 109 | 168 | 197 | 142 |
| Net financial items | -18 | -13 | -35 | -2 | -13 | -9 | -11 | -22 | 0 | -15 | -9 | 2 |
| Profit after net financial items | 156 | 113 | 446 | 72 | 112 | 152 | 110 | 594 | 109 | 154 | 188 | 144 |
| Tax | -38 | -27 | -105 | -6 | -31 | -40 | -27 | -164 | -32 | -42 | -50 | -39 |
| Profit for the period | 118 | 86 | 342 | 66 | 82 | 112 | 83 | 430 | 76 | 111 | 138 | 105 |
| EBITDA margin, % | 14 | 11 | 11 | 8 | 12 | 13 | 11 | 14 | 10 | 15 | 16 | 13 |
| EBITA margin, % | 13 | 10 | 10 | 7 | 11 | 12 | 10 | 13 | 10 | 14 | 15 | 12 |
| EBIT margin, % | 11 | 8 | 8 | 5 | 9 | 10 | 9 | 11 | 8 | 12 | 13 | 10 |
| Earnings per share, SEK | 3,22 | 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 | 61,6 | 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 | 3,7 | 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, % ²⁾ | 15,2 | 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 | 167,0 | 176,5 | 171,5 | 171,5 | 167,0 | 182,0 | 201,0 | 173,0 | 173,0 | 194,0 | 202,5 | 227,5 |

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

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

| KEY FIGURES | Apr - Jun 2017 | Apr - Jun 2016 | Jan - Jun 2017 | Jan - Jun 2016 | 12 months Jul - Jun | Full-year 2016 |
|---|-------------------|-------------------|-------------------|-------------------|------------------------|-------------------|
| Return on shareholders' equity, % ¹⁾ | - | - | 15,2 | 17,6 | 15,2 | 15,1 |
| Return on total capital, % ¹⁾ | - | - | 8,8 | 10,3 | 8,8 | 8,7 |
| Return on capital employed, % ¹⁾ | - | - | 11,7 | 13,4 | 11,7 | 11,6 |
| Equity/assets ratio, % | 40,7 | 39,0 | 40,7 | 39,0 | 40,7 | 42,6 |
| Net debt, SEK M | 1 615 | 1 684 | 1 615 | 1 684 | 1 615 | 1 437 |
| Net debt/EBITDA, number of times ¹⁾ | - | - | 2,38 | 2,32 | 2,38 | 2,19 |
| Gross margin, % | 54,5 | 53,6 | 54,0 | 53,9 | 53,7 | 53,6 |
| EBITDA margin, % | 13,8 | 12,9 | 12,5 | 12,2 | 11,2 | 11,0 |
| EBITA margin, % | 12,8 | 12,0 | 11,5 | 11,3 | 10,2 | 10,0 |
| EBIT margin, % | 11,0 | 10,2 | 9,7 | 9,4 | 8,3 | 8,1 |
| Earnings per share, SEK | 3,22 | 3,02 | 5,55 | 5,29 | 9,58 | 9,32 |
| Shareholders' equity per share, SEK | - | - | 61,6 | 59,3 | 61,6 | 64,4 |
| Cash flow per share, SEK | 3,7 | 6,4 | 4,8 | 7,2 | 12,7 | 15,1 |
| 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 |

¹⁾ 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 - June.

| NUMBER OF STORES AND WORKSHOPS | MECA | | Mekonomen Sweden ¹⁾ | | Mekonomen Norway | | Sørensen og Balchen | | Other segments ¹⁾ | | Group | |
|-----------------------------------|------------|------------|-----------------------------------|------------|---------------------|------------|------------------------|------------|---------------------------------|-----------|--------------|--------------|
| | 30 June | | 30 June | | 30 June | | 30 June | | 30 June | | 30 June | |
| | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 |
| Number of stores | | | | | | | | | | | | |
| Proprietary stores | 76 | 75 | 113 | 114 | 34 | 32 | 38 | 36 | 4 | 5 | 265 | 262 |
| Partner stores | 10 | 10 | 20 | 20 | 11 | 13 | 35 | 35 | 3 | 3 | 79 | 81 |
| Total | 86 | 85 | 133 | 134 | 45 | 45 | 73 | 71 | 7 | 8 | 344 | 343 |
| Number of workshops | | | | | | | | | | | | |
| Mekonomen Service Centres | - | 95 | 421 | 438 | 329 | 351 | - | - | 43 | 42 | 793 | 926 |
| MekoPartner | - | 32 | 133 | 124 | 95 | 94 | - | - | - | - | 228 | 250 |
| Speedy | - | - | - | - | - | - | - | - | 33 | 20 | 33 | 20 |
| BilXtra | - | - | - | - | - | - | 261 | 252 | - | - | 261 | 252 |
| MECA Car Service | 703 | 689 | - | - | - | - | - | - | - | - | 703 | 689 |
| Total | 703 | 816 | 554 | 562 | 424 | 445 | 261 | 252 | 76 | 62 | 2 018 | 2 137 |

¹⁾ 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 - Jun 2017 | Jan - Jun 2016 |
|--------------------------------|-------------------|-------------------|
| MECA | 731 | 728 |
| Mekonomen Sweden ¹⁾ | 697 | 745 |
| Mekonomen Norway | 275 | 256 |
| Sørensen og Balchen | 253 | 259 |
| Other segments ¹⁾ | 296 | 327 |
| Total | 2 252 | 2 314 |

¹⁾"Other segment" 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, the services Mekonomen car share and Mekonomen car leasing, Lasingoo Norway and Group-wide functions that also include Mekonomen AB (publ). The Parent Company's operations mainly comprise Group Management and finance management. From 1 January 2017 Marinhopen is included in the Mekonomen Sweden segment instead of "Other segments", comparative figures are not recalculated due to in significance.

FINANCIAL REPORTS, PARENT COMPANY

| CONDENSED INCOME STATEMENT FOR THE PARENT COMPANY, SEK M | Apr - Jun 2017 | Apr - Jun 2016 | Jan - Jun 2017 | Jan - Jun 2016 | 12 months Jul - Jun | Full-year 2016 |
|---|-------------------|-------------------|-------------------|-------------------|------------------------|-------------------|
| Operating revenue | 22 | 23 | 45 | 43 | 86 | 84 |
| Operating expenses | -32 | -29 | -58 | -56 | -123 | -122 |
| EBIT | -10 | -6 | -13 | -14 | -37 | -38 |
| Net financial items ¹⁾ | -8 | -5 | 301 | 38 | 263 | 0 |
| Profit/loss after financial items | -18 | -10 | 288 | 25 | 226 | -38 |
| Appropriations | - | - | - | - | 156 | 156 |
| Tax | 4 | 2 | 5 | 4 | 1 | 0 |
| PROFIT FOR THE PERIOD | -14 | -8 | 293 | 29 | 383 | 118 |

¹⁾ Net financial items include dividends on participations in subsidiaries totalling SEK 315 M (47) for the six-month period and SEK 47 M for the full-year 2016, and an impairment loss on participations in subsidiaries of SEK -28 M for the full year 2016.

| STATEMENT OF COMPREHENSIVE INCOME FOR THE PARENT COMPANY, SEK M | Apr - Jun 2017 | Apr - Jun 2016 | Jan - Jun 2017 | Jan - Jun 2016 | 12 months Jul - Jun | Full-year 2016 |
|--|-------------------|-------------------|-------------------|-------------------|------------------------|-------------------|
| Profit for the period | -14 | -8 | 293 | 29 | 383 | 118 |
| COMPREHENSIVE INCOME FOR THE PERIOD | -14 | -8 | 293 | 29 | 383 | 118 |

| CONDENSED BALANCE SHEET FOR THE PARENT COMPANY, SEK M | 30 June 2017 | 30 June 2016 | 31 December 2016 |
|--|-----------------|-----------------|---------------------|
| ASSETS | | | |
| Fixed assets | 3 191 | 3 151 | 3 190 |
| Current receivables in Group companies | 1 365 | 1 445 | 1 242 |
| Other current receivables | 125 | 68 | 77 |
| Cash and cash equivalents | 144 | 113 | 163 |
| TOTAL ASSETS | 4 825 | 4 777 | 4 673 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | | |
| Shareholders' equity | 2 684 | 2 553 | 2 642 |
| Untaxed reserves | 210 | 175 | 210 |
| Provisions | 2 | 2 | 2 |
| Long-term liabilities | 1 514 | 1 392 | 1 324 |
| Current liabilities in Group companies | 5 | 0 | 69 |
| Other current liabilities | 411 | 654 | 426 |
| TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES | 4 825 | 4 777 | 4 673 |

| SUMMARY OF CHANGES IN EQUITY FOR THE PARENT COMPANY, SEK M | 30 June 2017 | 30 June 2016 | 31 December 2016 |
|---|-----------------|-----------------|---------------------|
| Shareholders' equity at the beginning of the year | 2 642 | 2 775 | 2 775 |
| Comprehensive income for the period | 293 | 29 | 118 |
| Dividend to shareholders | -251 | -251 | -251 |
| SHAREHOLDERS' EQUITY AT THE END OF THE PERIOD | 2 684 | 2 553 | 2 642 |

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 21. 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 - Jun ¹⁾ 2017 | Jan - Jun ¹⁾ 2016 | 12 months Jul - Jun | Full-year 2016 |
|--|---------------------------------|---------------------------------|------------------------|-------------------|
| Profit for the period (rolling 12 months) | 352 | 382 | 352 | 342 |
| - Minus non-controlling interests' share of profit for the period (rolling 12 months) | -8 | -7 | -8 | -7 |
| Profit for the period excluding non-controlling interests' share (rolling 12 months) | 344 | 375 | 344 | 335 |
| - Divided by SHAREHOLDERS' EQUITY ATTRIBUTABLE TO PARENT COMPANY'S SHAREHOLDERS, average over the past five quarters ²⁾ | 2 259 | 2 132 | 2 259 | 2 218 |
| RETURN ON SHAREHOLDERS' EQUITY, % | 15,2 | 17,6 | 15,2 | 15,1 |

| ²⁾ SHAREHOLDERS' EQUITY ATTRIBUTABLE TO PARENT PARENT COMPANY'S SHAREHOLDERS, SEK M | 2017 | | 2016 | | | | 2015 | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 |
| Shareholders' equity | 2 224 | 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 | -12 | -15 | -14 | -13 | -10 | -13 | -12 | -13 | -10 | -14 |
| SHAREHOLDERS' EQUITY ATTRIBUTABLE TO PARENT COMPANY'S SHAREHOLDERS | 2 212 | 2 381 | 2 311 | 2 263 | 2 129 | 2 244 | 2 143 | 2 098 | 2 043 | 2 190 |
| SHAREHOLDERS' EQUITY ATTRIBUTABLE TO PARENT COMPANY'S SHAREHOLDERS, average over the past five quarters | 2 259 | 2 266 | 2 218 | 2 175 | 2 132 | 2 144 | 2 108 | 2 146 | 2 164 | 2 219 |

| RETURN ON TOTAL CAPITAL SEK M | Jan - Jun ¹⁾ 2017 | Jan - Jun ¹⁾ 2016 | 12 months Jul - Jun | Full-year 2016 |
|--|---------------------------------|---------------------------------|------------------------|-------------------|
| Profit after financial items (rolling 12 months) | 453 | 524 | 453 | 446 |
| - Plus Interest expenses (rolling 12 months) | 27 | -31 | 27 | 28 |
| Profit after financial items plus interest expenses (rolling 12 months) | 481 | 555 | 481 | 475 |
| - Divided by TOTAL ASSETS, average over the past five quarters ³⁾ | 5 479 | 5 410 | 5 479 | 5 430 |
| RETURN ON TOTAL CAPITAL, % | 8,8 | 10,3 | 8,8 | 8,7 |

| ³⁾ TOTAL ASSETS SEK M | 2017 | | 2016 | | | | 2015 | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 |
| Total assets | 5 465 | 5 528 | 5 452 | 5 466 | 5 481 | 5 387 | 5 361 | 5 426 | 5 392 | 5 627 |
| TOTAL ASSETS, average over the past five quarters | 5 479 | 5 463 | 5 430 | 5 424 | 5 410 | 5 439 | 5 438 | 5 492 | 5 523 | 5 571 |

| RETURN ON CAPITAL EMPLOYED SEK M | Jan - Jun ¹⁾ 2017 | Jan - Jun ¹⁾ 2016 | 12 months Jul - Jun | Full-year 2016 |
|--|---------------------------------|---------------------------------|------------------------|-------------------|
| Profit after financial items (rolling 12 months) | 453 | 524 | 453 | 446 |
| - Plus Interest expenses (rolling 12 months) | 27 | -31 | 27 | 28 |
| Profit after financial items plus interest expenses (rolling 12 months) | 481 | 555 | 481 | 475 |
| - Divided by CAPITAL EMPLOYED, average over the past five quarters ⁴⁾ | 4 119 | 4 136 | 4 119 | 4 107 |
| RETURN ON CAPITAL EMPLOYED, % | 11,7 | 13,4 | 11,7 | 11,6 |

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

| 4) CAPITAL EMPLOYED | 2017 | | 2016 | | | | 2015 | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| SEK M | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 |
| Total assets | 5 465 | 5 528 | 5 452 | 5 466 | 5 481 | 5 387 | 5 361 | 5 426 | 5 392 | 5 627 |
| - Minus Deferred tax liabilities | -149 | -155 | -163 | -142 | -148 | -158 | -169 | -149 | -156 | -160 |
| - Minus Long-term liabilities, non-interest-bearing | -35 | -32 | -24 | -25 | -25 | -9 | -8 | -4 | -3 | -3 |
| - Minus Current liabilities, non-interest-bearing | -1 162 | -1 178 | -1 199 | -1 205 | -1 154 | -1 087 | -1 099 | -1 131 | -1 068 | -1 167 |
| CAPITAL EMPLOYED | 4 119 | 4 162 | 4 066 | 4 094 | 4 155 | 4 133 | 4 086 | 4 143 | 4 165 | 4 297 |
| CAPITAL EMPLOYED average over the past five quarters | 4 119 | 4 122 | 4 107 | 4 122 | 4 136 | 4 165 | 4 134 | 4 180 | 4 216 | 4 256 |

| GROSS MARGIN | Apr - Jun | Apr - Jun | Jan - Jun | Jan - Jun | 12 months | Full-year |
|--------------------------|-------------|-------------|--------------|--------------|--------------|--------------|
| SEK M | 2017 | 2016 | 2017 | 2016 | Jul - Jun | 2016 |
| Net sales | 1 552 | 1 537 | 3 034 | 2 928 | 5 892 | 5 786 |
| - Minus Goods for resale | -707 | -713 | -1 395 | -1 350 | -2 731 | -2 686 |
| Total | 846 | 824 | 1 640 | 1 578 | 3 161 | 3 100 |
| - Divided by Net sales | 1 552 | 1 537 | 3 034 | 2 928 | 5 892 | 5 786 |
| GROSS MARGIN, % | 54,5 | 53,6 | 54,0 | 53,9 | 53,7 | 53,6 |

| EARNINGS PER SHARE | Apr - Jun | Apr - Jun | Jan - Jun | Jan - Jun | 12 months | Full-year |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
| SEK M | 2017 | 2016 | 2017 | 2016 | Jul - Jun | 2016 |
| Profit for the period | 118 | 112 | 204 | 194 | 352 | 342 |
| - Minus Non-controlling interests' share | -3 | -3 | -5 | -4 | -8 | -7 |
| Profit for the period attributable to Parent Company's shareholders | 116 | 108 | 199 | 190 | 344 | 335 |
| - Divided by Average number of shares ⁵⁾ | 35 901 487 | 35 901 487 | 35 901 487 | 35 901 487 | 35 901 487 | 35 901 487 |
| EARNINGS PER SHARE, SEK | 3,22 | 3,02 | 5,55 | 5,29 | 9,58 | 9,32 |

| SHAREHOLDERS' EQUITY PER SHARE | Jan - Jun | Jan - Jun | 12 months | Full-year |
|---|--------------|--------------|--------------|--------------|
| SEK M | 2017 | 2016 | Jul - Jun | 2016 |
| Shareholders' equity | 2 224 | 2 139 | 2 224 | 2 324 |
| - Minus Non-controlling interests' share | -12 | -10 | -12 | -14 |
| SHAREHOLDERS' EQUITY ATTRIBUTABLE TO PARENT COMPANY'S SHAREHOLDERS | 2 212 | 2 129 | 2 212 | 2 311 |
| - Divided by Average number of shares at the end of period ⁵⁾ | 35 901 487 | 35 901 487 | 35 901 487 | 35 901 487 |
| SHAREHOLDERS' EQUITY PER SHARE, SEK | 61,6 | 59,3 | 61,6 | 64,4 |

| CASH FLOW PER SHARE | Apr - Jun | Apr - Jun | Jan - Jun | Jan - Jun | 12 months | Full-year |
|---|------------|------------|------------|------------|-------------|-------------|
| SEK M | 2017 | 2016 | 2017 | 2016 | Jul - Jun | 2016 |
| Cash flow from operating activities | 134 | 228 | 172 | 258 | 457 | 544 |
| - Divided by Average number of shares ⁵⁾ | 35 901 487 | 35 901 487 | 35 901 487 | 35 901 487 | 35 901 487 | 35 901 487 |
| CASH FLOW PER SHARE, SEK | 3,7 | 6,4 | 4,8 | 7,2 | 12,7 | 15,1 |

| 5) AVERAGE NUMBER OF SHARES | Apr - Jun | Apr - Jun | Jan - Jun | Jan - Jun | 12 months | Full-year |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2017 | 2016 | 2017 | 2016 | Jul - Jun | 2016 |
| 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 |
| - Multiplied by number of days that the Number of shares at the end of the period remained unchanged during the period | 91 | 91 | 181 | 182 | 365 | 366 |
| Number of shares at a different time during the period | 0 | 0 | 0 | 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 | 0 | 0 |
| - Total divided by number of days during the period | 91 | 91 | 181 | 182 | 365 | 366 |
| AVERAGE NUMBER OF SHARES | 35 901 487 | 35 901 487 | 35 901 487 | 35 901 487 | 35 901 487 | 35 901 487 |

| NET DEBT SEK M | 30 June 2017 | 30 June 2016 | 31 December 2016 |
|--|-----------------|-----------------|---------------------|
| Long-term liabilities, interest-bearing | 1 526 | 1 407 | 1 338 |
| - Minus interest-bearing long-term liabilities and provisions for pensions, leasing, derivatives and similar obligations | -10 | -13 | -11 |
| Current liabilities, interest-bearing | 369 | 608 | 404 |
| - Minus interest-bearing current liabilities and provisions for pensions, leasing, derivatives and similar obligations | -2 | -2 | -2 |
| - Minus Cash and cash equivalents | -268 | -317 | -291 |
| NET DEBT | 1 615 | 1 684 | 1 437 |

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). |
| DAB products | Accessories adapted to digital radio broadcasting in cars. DAB is a shortening of Digital Audio Broadcasting. |
| 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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