

Mekonomen Group

Year-end report January - December 2016

15 February 2017

1 October - 31 December 2016 ¹⁾

- Revenue increased 4 per cent to SEK 1,508 M (1,447). Adjusted for currency effects and calculated on the comparable number of workdays, revenue decreased 1 per cent. Sales in comparable units rose 1 per cent.
- EBITA amounted to SEK 103 M (138) and the EBITA margin amounted to 7 per cent (10).
- EBIT amounted to SEK 74 M (109) and the EBIT margin was 5 per cent (8). EBIT has been negatively affected by non-recurring effects totalling SEK 31 M (21), of which SEK 6 M (0) are related to recall of Volvo cars in which defective driving belts had been installed and SEK 25 M (0) are related to divestment of the Danish business.
- The gross margin amounted to 52.0 per cent (54.2), of which non-recurring effects have affected gross margin negatively by 2.3 percentage points (neg: 0.8) in the fourth quarter.
- Earnings per share, before and after dilution, amounted to SEK 1.83 (2.14).
- Cash flow from operating activities rose to SEK 208 M (195), of which discontinued operations comprised a negative SEK 9 M (pos: 13).

1 January - 31 December 2016 ¹⁾

- Revenue increased 3 per cent to SEK 5,937 M (5,761). Adjusted for currency effects and calculated on the comparable number of workdays, revenue rose 4 per cent. Sales in comparable units rose 4 per cent.
- EBITA amounted to SEK 594 M (726) and the EBITA margin amounted to 10 per cent (13).
- EBIT amounted to SEK 481 M (616) and the EBIT margin amounted to 8 per cent (11). EBIT was adversely affected by non-recurring effects of SEK 58 M (22).
- Earnings per share before and after dilution amounted to SEK 9.32 (11.77).
- Cash flow from operating activities rose to SEK 544 M (439), of which discontinued operations comprised a negative SEK 17 M (neg: 134).
- Net debt amounted to SEK 1,437 M (1,626).
- The Board of Directors proposes a dividend of SEK 7.00 (7.00).

SUMMARY OF THE GROUP'S EARNINGS TREND, SEK M	Oct - Dec 2016	Oct - Dec 2015	Change %	Jan - Dec 2016	Jan - Dec 2015	Change %
Revenue	1 508	1 447	4	5 937	5 761	3
Operating profit before amortisation and impairment of intangible fixed assets (EBITA)	103	138	-25	594	726	-18
EBIT	74	109	-32	481	616	-22
Profit after financial items	72	109	-34	446	594	-25
Profit after tax, continuing operations	66	76	-14	342	430	-21
Profit after tax, discontinued operations	0	1	n/a	0	0	n/a
Profit after tax	66	77	-15	342	430	-21
Earnings per share, continuing operations, SEK	1,83	2,14	-15	9,32	11,77	-21
Earnings per share, discontinued operations, SEK	0,00	0,03	n/a	0,00	0,00	n/a
Earnings per share, SEK	1,83	2,17	-16	9,32	11,77	-21
EBITA margin, %	7	10		10	13	
EBIT margin, %	5	8		8	11	

The amounts in the table above pertain to continuing operations, except for Profit after tax and Earnings per share. For further information about discontinued operations, see page 18.

¹⁾ During the first quarter of 2015, the last two stores in Denmark were discontinued and the Danish store operation is presented in the 2015-2016 financial reports according to the rules on discontinued operations in IFRS 5. The Danish store operation was previously included in the MECA segment. All amounts pertain to continuing operations except cash flow and net debt.

CEO's comments

Year 2016 – An eventful year overshadowed by weak development in Mekonomen Sweden

2016 was an eventful year for Mekonomen Group and for me who was entrusted to take over as acting CEO in October. During the year important decisions were taken and several initiatives were started in order to strengthen the Group for the future. We decided to establish a new automated central warehouse for our operations in Sweden, we divested the Danish operation and launched the booking service, "pris direkt". These are some examples of events during the year. However, the year has mostly been characterised by the weak development in Mekonomen Sweden.

Fourth quarter – the result heavily affected by non-recurring effects

In the fourth quarter, the sales in the Group increased by 4 per cent. The sales remained favourable in MECA and Sørensen og Balchen while the sales was weak in Mekonomen Sweden and Mekonomen Norway. The result in the Group was negatively impacted by the development in Mekonomen Sweden and by non-recurring costs related to divestment of the Danish operation and recall of Volvo cars in which defective driving belts had been installed. EBIT amounted to SEK 74 (109) M in the fourth quarter, including non-recurring effects totalling SEK 31 (21) M. Cash flow from operating activities increased to SEK 208 (195) M.

In the quarter we have seen a continued pressure on gross margin, especially in Norway, mainly driven by increased share of our sales to affiliated workshops and large customers, as well as price competition in Norway. We expect this trend will continue going forward.

Stable development in MECA and Sørensen og Balchen

MECA was negatively affected by Denmark and Opus Equipment in the quarter. Excluding these operations MECA reported an operating profit in line with same period last year.

As previously announced, the Danish operation was divested 28 December. MECA's operating profit was impacted by the non-recurring cost of SEK 25 M related to the divestment and by the operating loss in Denmark until 28 December. Opus Equipment, included in MECA, has had a negative development in the quarter. Measures are taken to restore profitability in Opus Equipment.

Sørensen og Balchen has in 2016 generated its best result ever, with a favourable sales development of accessories and with good cost control.

Mekonomen Sweden – the challenges not yet solved

Focus during the quarter has been the efforts to re-generate sales growth in Mekonomen Sweden. During the quarter, a more decentralised sales organisation was reinstated in Mekonomen Sweden, where the store managers are given more opportunities to run their own local business. The measures have not yet been completed.

The store data system has been stabilised in the 30 stores where it has been installed and we estimate that the system has not affected the sales negatively from the end of the quarter. All initial issues are not yet solved and we will evaluate the next step during the first quarter. Continued implementation in 2017 will only occur if we over a longer period of time have at least the same growth and profit in these 30 stores, as in other stores in Mekonomen Sweden.

Strong sales growth to affiliated workshops

The sales to affiliated workshops presented a strong growth in the quarter, which is the part of our business that we regard as strategically most important for growth. Also, the sales of spare parts under our own ProMeister brand had a positive development in the quarter.

Market development remains stable

We assess that the market was stable during the fourth quarter. Provided that scrapping or export of cars do not increase, we see potential for an increasing overall market in 2017, mainly driven by a strong sales of new cars in recent years and a growing car fleet in Norway and Sweden. Compared to last year we have not seen same strong chill effect this January, with some negative effect on sales of cold related products.

Focus 2017

Focus in 2017 is to drive growth in all our Group companies, where turning the development in Mekonomen Sweden has the highest priority. During the year we will strengthen our customer offering, partly by launching new categories within ProMeister and launching of the next generation spare part catalogue and e-commerce platform. We also continue to focus on development of the offering to our affiliated workshops. The project to establish a new Swedish automated central warehouse is proceeding as planned.

Although the main focus is to increase sales, it is important that it is done with good cost control. As a consequence we will expand the previously communicated cost and efficiency program from SEK 25 M to SEK 45 M on an annual basis, with full effect from the third quarter 2017. We will also have more focus on streamlining and optimising our local inventories in the stores to further strengthen the cash flow.

With the strength of our different concepts and with the power of innovation and entrepreneurial spirit among our employees I look forward in 2017 to us continuing to be first choice for the workshops and the car owners.

Pehr Oscarson
Acting President and CEO

MEKONOMEN GROUP IN BRIEF

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

Business concept

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

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. The approximately 340 stores deliver to more than 2,000 affiliated workshops and to other workshops and consumers. The Group also has about 30 proprietary workshops.



GROUP REVENUE

TOTAL REVENUE DISTRIBUTION CONTINUING OPERATIONS, SEK M	Oct - Dec 2016	Oct - Dec 2015	Change %	Jan - Dec 2016	Jan - Dec 2015	Change %
Net sales, external by segment						
MECA	528	489	8	2 039	1 871	9
Mekonomen Sweden	470	493	-5	1 891	1 925	-2
Mekonomen Norway	210	191	10	836	814	3
Sørensen og Balchen	182	159	15	725	729	0
Other segments	76	83	-8	295	285	3
Total net sales Group	1 466	1 415	4	5 786	5 624	3
Other operating revenue	42	32	34	151	137	10
GROUP REVENUE	1 508	1 447	4	5 937	5 761	3

GROWTH PER CENT 2016	MECA		Mekonomen Sweden		Mekonomen Norway		Sørensen og Balchen		Group	
	Q4	Jan - Dec	Q4	Jan - Dec	Q4	Jan - Dec	Q4	Jan - Dec	Q4	Jan - Dec
Underlying increase	2,9	9,5	-6,2	-2,5	-0,4	4,7	4,0	1,5	-0,5	3,5
Currency effect	3,6	-1,4	0,0	0,0	8,4	-2,8	8,8	-2,8	3,3	-1,2
Effect, workdays	1,5	0,8	1,5	0,8	1,7	0,8	1,8	0,8	1,4	0,7
Nominal increase	8,0	9,0	-4,8	-1,8	9,7	2,6	14,6	-0,5	4,2	3,0

SALES IN COMPARABLE UNITS PER CENT	Group	
	Fourth quarter 2016	Jan - Dec 2016
Sales growth in comparable units	1,4	3,9

1 October - 31 December 2016

Revenue for continuing operations rose 4 per cent to SEK 1,508 M (1,447). Adjusted for positive currency effects of SEK 48 M, revenue increased 1 per cent. The number of workdays was one more in Sweden, Norway and Denmark, but unchanged in Finland during the quarter compared with the preceding year. Calculated on comparable workdays and adjusted for currency effects, revenue decreased 1 per cent. Sales in comparable units rose 1 per cent.

1 January - 31 December 2016

Revenue for continuing operations rose 3 per cent to SEK 5,937 M (5,761). Excluding the acquisition of Opus Equipment for the period January-June 2016, revenue increased 2 per cent. Adjusted for negative currency effects of SEK 69 M, revenue increased 4 per cent. The number of workdays was two days more in Sweden, Norway and Finland and three days more in Denmark during the full year compared with the previous year. Calculated on comparable workdays and adjusted for currency effects, revenue increased 4 per cent. Sales in comparable units rose 4 per cent.

GROUP PERFORMANCE

1 October - 31 December 2016

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

EBITA for continuing operations amounted to SEK 103 M (138) and the EBITA margin amounted to 7 per cent (10). Earnings were negatively impacted by non-recurring effects of SEK 31 M (21), of which SEK 25 M (0) are related to divestment of the Danish operation and SEK 6 M (0) are related to recall of Volvo cars in which defective driving belts have been installed. MECA's export business to Denmark, excluding the divestment, has affected EBITA negatively by SEK 12 M (neg: 11). Currency effects in the balance sheet had a positive impact of SEK 4 M (pos: 6) on EBITA.

Operating profit, EBIT

EBIT for continuing operations amounted to SEK 74 M (109) and the EBIT margin amounted to 5 per cent (8). Earnings were negatively impacted by non-recurring effects of SEK 31 M (21), of which SEK 25 M (0) are related to divestment of the Danish operation and SEK 6 M (0) are related to recall of Volvo cars in which defective driving belts have been installed. MECA's export business to Denmark, excluding the divestment, has affected EBIT negatively by SEK 12 M (neg: 11). Currency effects in the balance sheet had a positive impact of SEK 4 M (pos: 6) on EBIT.

SPECIFICATION OF IMPACT OF NON-RECURRING EFFECTS ON EBIT, SEK M	Oct - Dec 2016	Oct - Dec 2015	Jan - Dec 2016	Jan - Dec 2015
Gross profit	-34	-11	-42	-11
Operating costs (excluding depreciation/amortisation and impairment)	5	-10	-13	-11
Impairment of tangible fixed assets	-2	-	-3	-
EBIT	-31	-21	-58	-22

Other earnings

Profit after financial items for continuing operations amounted to SEK 72 M (109). Net interest expense amounted to SEK 5 M (expense: 6) and other financial items to an income of SEK 3 M (income: 6). Profit after tax for continuing operations amounted to SEK 66 M (76), for discontinued operations SEK 0 M (1) and totalled SEK 66 M (77). In Norway, corporate tax was reduced from 27 to 25 per cent as of 2016, which had a positive impact of SEK 2 M on tax expense for the period. Estimated deductible tax pertaining to Denmark amounts to SEK 76 M (54), of which SEK 10 M (neg: 6) had a positive effect on the tax expense for the quarter and full-year. Earnings per share for continuing operations, before and after dilution, amounted to SEK 1.83 (2.14), for discontinued operations to SEK 0.00 (0.03), and totalled SEK 1.83 (2.17).

1 January - 31 December 2016

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

EBITA for continuing operations amounted to SEK 594 M (726) and the EBITA margin amounted to 10 per cent (13). Earnings were negatively impacted by non-recurring effects of SEK 58 M (neg: 22). MECA's export business to Denmark, excluding the divestment, has affected EBITA negatively by SEK 27 M (neg: 31). Currency effects in the balance sheet had a positive impact of SEK 3 M (0) on EBITA.

Operating profit, EBIT

EBIT for continuing operations amounted to SEK 481 M (616) and the EBIT margin amounted to 8 per cent (11). Earnings were negatively impacted by non-recurring effects of SEK 58 M (neg: 22). MECA's export business to Denmark, excluding the divestment, has affected EBIT negatively by SEK 27 M (neg: 31). Currency effects in the balance sheet had a positive impact of SEK 3 M (0) on EBIT.

Other earnings

Profit after financial items for continuing operations amounted to SEK 446 M (594). Net interest expense amounted to SEK 23 M (expense: 27) and other financial items to an expense of SEK 12 M (income: 5). Other financial items were negatively impacted by non-recurring effects of SEK 1 M (pos: 7). Profit after tax for continuing operations amounted to SEK 342 M (430), for discontinued operations to SEK 0 M (0) and totalled SEK 342 M (430). In Norway corporate tax was reduced from 27 to 25 per cent as of 2016, which had a positive impact of SEK 7 M on tax expense for the full-year. Earning per share for continuing operations, before and after dilution amounted to SEK 9.32 (11.77), for discontinued operations to SEK 0.00 (0.00), and totalled SEK 9.32 (11.77).

FINANCIAL POSITION AND CASH FLOW

Cash flow from operating activities rose, mainly due to decreased restricted working capital, to SEK 208 M (195) for the fourth quarter, of which discontinued operations comprised a negative SEK 9 M (pos: 13) and for the full year to SEK 544 M (439), of which discontinued operations comprised a negative SEK 17 M (neg: 134). Tax paid amounted to SEK -1 M (2) for the fourth quarter and to SEK 153 M (189) for the full year. Cash and cash equivalents amounted to SEK 291 M (295) at the end of the year. The equity/assets ratio was 43 per cent (40). Long-term interest-bearing liabilities amounted to SEK 1,338 M (1,469). Current interest-bearing liabilities amounted to SEK 404 M (461).

Net debt amounted to SEK 1,437 M (1,626). Net debt declined SEK 190 M compared to last year and SEK 184 M during the fourth quarter. It is primarily positive cash flow from operating activities that has reduced net debt during the year. The items that increased net debt are mainly the share dividend of SEK 259 M, of which SEK 251 M were dividends to the Parent Company's shareholders, which was paid out during the second quarter, as well as investments and acquisitions. During the fourth quarter, loans were amortised by SEK 34 M and by SEK 136 M during the full-year.

INVESTMENTS

During the fourth quarter, investments in fixed assets amounted to SEK 43 M (33) and to SEK 111 M (103) during the full-year. Depreciation and impairment of tangible fixed assets in continuing operations amounted to SEK 18 M (13) for the fourth quarter and to SEK 62 M (57) for the full-year.

In order to achieve a more efficient logistics structure, Mekonomen Group will centralise its central warehouse structure in Sweden. In July 2016, Mekonomen Group signed an agreement with TGW Logistics Group to expand the existing central warehouse in Strängnäs with a fully automated section. The expansion is intended to create a Group-wide, flexible and cost-efficient platform for the supply chain in the Group. The estimated investment during the period 2016-2018 is SEK 190 M with full EBIT effect from savings of SEK 50 M annually from 2020. Capital tied-up is expected to decline SEK 80 M with full effect as of 2020.

During the fourth quarter, company and business acquisitions amounted to SEK 3 M (13) and to SEK 31 (68) for the full-year, of which SEK 14 M (0) pertained to estimated supplementary purchase consideration for the full-year. Acquired assets totalled SEK 5 M (79) and assumed liabilities to SEK 0 M (38) for the full-year. In addition to goodwill, which amounted to SEK 5 M (16), intangible surplus values of SEK 21 M (12) were identified relating to customer relations. Deferred tax liabilities attributable to acquired intangible fixed assets amounted to SEK 0 M (1). Acquired minority shares amounted to SEK 1 M (9) in the fourth quarter and to SEK 14 M (17) for the full-year. Divested minority shares amounted to SEK 0 M (9) in the fourth quarter and the full-year. Divested businesses amounted to SEK 25 M (0) in the fourth quarter and SEK 29 M (9) for the full-year.

ACQUISITIONS AND START-UPS

Fourth quarter

Mekonomen Sweden acquired minority shares in two stores at a lower value. Meko Service Nordic acquired two workshops in Helsingborg, Sweden. Sørensen og Balchen has started up a store in Trysil, Norway.

Earlier in the year

Mekonomen Sweden acquired minority shares in nine stores and Meko Service Nordic acquired minority shares in three workshops, all for a minor amount. Mekonomen Sweden also acquired a partnership store in Halmstad and started up a store in Älmhult. Mekonomen Norway acquired one workshop in Drammen, Norway. MECA acquired a store in Höör, Sweden, two partnership stores in Tomelilla and Charlottenberg in Sweden, established Opus Equipment in Norway, and acquired a customer portfolio for oil sales to industrial customers in Norway. Sørensen og Balchen started up a store in Stord, Norway. Meko Service Nordic acquired one workshop in Mölndal, Sweden.

Opus Equipment AB, which was acquired on 1 July 2015, had in relation to the comparative period an impact of SEK 54 M on consolidated net sales during the full-year, and a negative EBIT-effect of SEK 4 M for the full-year. Other acquisitions had only a marginal effect on consolidated sales and earnings.

Number of stores and workshops

At the end of the period, the total number of stores in the chains for continuing operations was 342 (342), of which 261 (257) were proprietary stores. The number of affiliated workshops totalled 2,021 (2,126). See the distribution in the table on page 17.

EMPLOYEES

At the end of the period, the number of employees in continuing operations was 2,290 (2,348) and the average number of employees during the period was 2,287 (2,290). See the distribution in the table on page 18.

PERFORMANCE BY SEGMENT

To adapt segment reporting to the changed internal organisation and governance, a new segment structure was implemented in 2016. As of the first quarter of 2016, the Group is managed and reported in four segments; MECA, Mekonomen Sweden, Mekonomen Norway and Sørensen og Balchen. Reporting according to this new segment distribution has taken place since the first quarter of 2016. Comparative figures have been restated. For further information, refer to "Accounting policies" on page 9 and for the comparative figures 2015, which have been restated, refer to the table "Quarterly data, continuing operations, segment" on page 16.

MECA SEGMENT

MECA SEK M	Oct - Dec	Oct - Dec	Change %	Jan - Dec	Jan - Dec	Change %
	2016	2015		2016	2015	
Net sales, external	528	489	8	2 039	1 871	9
Operating profit before amortisation and impairment of intangible fixed assets (EBITA)	16	52	-69	217	258	-16
EBIT	13	49	-75	205	245	-16
EBITA margin, %	3	11		10	14	
EBIT margin, %	2	10		10	13	
Number of stores/of which own				85 / 75	85 / 72	
Number of Mekonomen Service Centres				-	102	
Number of MekoPartner				-	39	
Number of MECA Car Service				711	676	

The MECA segment mainly includes wholesale and store operations in Sweden and Norway, the export business to Denmark, until 28 December 2016, and the delivery and service of workshop equipment in Opus Equipment. As of 1 January 2015, the store operations in Denmark have been presented as discontinued operations and are not therefore included in the MECA segment. For further information about discontinued operations, see page 18.

A strong sales increase to MECA Car Service workshops was a key factor behind MECA's sales growth during the quarter.

The Danish operation, divested to T. Hansen Gruppen on 28 December, has had a negative impact on MECA's EBIT of SEK 37 M (neg: 11) in the quarter, where of SEK 25 M is a non-recurring effect of the divestment (of which gross profit has been negatively affected by SEK 28 M, other costs positively by SEK 5 M and impairment of tangible fixed assets negatively by SEK 2 M) and SEK 12 M (neg: 11) is operating loss. For the full year Denmark has had a negative impact on MECA's EBIT of SEK 52 M (neg: 31). Net sales for the export business to Denmark amounted to SEK 16 M (20) for the quarter and SEK 67 M (54) for the full year.

In the comparative period, MECA's EBIT were negatively impacted by non-recurring costs of SEK 2 M for the quarter, of which SEK 2 M pertained to gross profit, and SEK 3 M for the full year, of which SEK 2 M pertained to gross profit.

During the quarter, MECA has had a negative impact on the gross margin, due to a higher proportion of sales to major customers. Opus Equipment has had a negative development in the quarter. In Norway, oil sales to industrial customers developed further during the fourth quarter. The competition has intensified in the Norwegian market.

The currency effect on net sales against the NOK was a positive SEK 18 M for the quarter and a negative SEK 26 M for the full year. In the fourth quarter, the number of workdays was one day more in Sweden and Norway, compared with the preceding year, and two days more in Sweden and Norway for the full year. Underlying net sales rose 3 per cent in the fourth quarter and 10 per cent for the full year. MECA's EBIT totalled SEK 13 M (49) for the fourth quarter and the EBIT margin amounted to 2 per cent (10).

MEKONOMEN SWEDEN SEGMENT

MEKONOMEN SWEDEN	Oct - Dec	Oct - Dec		Jan - Dec	Jan - Dec	
SEK M	2016	2015	Change %	2016	2015	Change %
Net sales, external	470	493	-5	1 891	1 925	-2
Operating profit before amortisation and impairment of intangible fixed assets (EBITA)	42	53	-22	190	289	-34
EBIT	40	53	-23	187	287	-35
EBITA margin, %	8	10		10	14	
EBIT margin, %	8	10		10	14	
Number of stores/of which own				132 / 112	134 / 113	
Number of Mekonomen Service Centres				427	439	
Number of MekoPartner				127	125	

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

Since the organisational change which was implemented at the end of 2015 led to a negative effect on sales and higher personnel costs, a more decentralised organisation has been re-established in Mekonomen Sweden during the fourth quarter. The measures have not yet been completed. The new store data system, which has had a negative impact on sales and earnings earlier in the year, has step-by-step been adapted and improved and the assessment is that the system did not impact sales negatively from the end of the quarter, in the 30 stores where it has been implemented. EBIT and gross profit in the fourth quarter have been negatively affected by non-recurring costs of SEK 5 M related to recall of Volvo cars in which defective driving belts have been installed. In the comparative period, Mekonomen Sweden's gross profit was negatively impacted by non-recurring costs of SEK 6 M and EBIT was negatively impacted by additional non-recurring costs of SEK 10 M.

The underlying net sales declined 6 per cent in the fourth quarter and declined 3 per cent for the full year. In the fourth quarter, the number of workdays was one day more in Sweden compared with the previous year and two days more for the full year. EBIT totalled SEK 40 M (53) for the fourth quarter and the EBIT margin was 8 per cent (10).

MEKONOMEN NORWAY SEGMENT

MEKONOMEN NORWAY	Oct - Dec	Oct - Dec		Jan - Dec	Jan - Dec	
SEK M	2016	2015	Change %	2016	2015	Change %
Net sales, external	210	191	10	836	814	3
Operating profit before amortisation and impairment of intangible fixed assets (EBITA)	28	25	8	132	151	-12
EBIT	28	25	9	132	151	-12
EBITA margin, %	13	13		15	18	
EBIT margin, %	13	13		15	18	
Number of stores/of which own				45 / 32	45 / 32	
Number of Mekonomen Service Centres				339	345	
Number of MekoPartner				93	97	

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

The key driver of Mekonomen Norway's growth during the year was sales to Mekonomen Service Centres, but during the fourth quarter the growth was more evenly distributed between other workshops and Mekonomen Service Centres. Intensified competition has had a negative effect on the gross margin in the quarter. EBIT and gross profit in the fourth quarter have been negatively affected by non-recurring costs of SEK 1 M related to recall of Volvo cars in which defective driving belts have been installed. In the comparative period, Mekonomen Norway's gross profit was negatively impacted by non-recurring effects of SEK 1 M.

Underlying net sales was unchanged in the fourth quarter and rose 5 per cent for the full year. The currency effect on net sales against the NOK was a positive SEK 16 M in the fourth quarter and a negative SEK 23 M for the full year. In the fourth quarter, the number of workdays was one day more in Norway compared with the previous year and two days more for the full year. EBIT amounted to SEK 28 M (25) for the fourth quarter and the EBIT margin was 13 per cent (13).

SØRENSEN OG BALCHEN SEGMENT

SØRENSEN OG BALCHEN	Oct - Dec	Oct - Dec		Jan - Dec	Jan - Dec	
SEK M	2016	2015	Change %	2016	2015	Change %
Net sales, external	182	159	15	725	729	0
Operating profit before amortisation and impairment of intangible fixed assets (EBITA)	29	26	11	117	117	0
EBIT	29	26	11	117	116	1
EBITA margin, %	16	16		16	16	
EBIT margin, %	16	16		16	16	
Number of stores/of which own				72 / 37	70 / 35	
Number of BilXtra				255	246	

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

Sørensen og Balchen reported a favourable trend in sales of accessories in the quarter, although which in combination with intensified competition, had a negative effect on the gross margin. Sørensen og Balchen has had good cost control. The underlying net sales rose 4 per cent in the fourth quarter and 1 per cent for the full year. The currency effect in net sales against the NOK was positive SEK 14 M in the fourth quarter and negative SEK 20 M for the full year. The number of workdays during the quarter was one more in Norway compared with the preceding year and two days more in the full year. EBIT totalled SEK 29 M (26) for the fourth quarter and the EBIT margin was 16 per cent (16).

SALES GROWTH PER CUSTOMER GROUP

GROWTH PER CUSTOMER GROUP CONTINUING OPERATIONS, PER CENT	October - December 2016			January - December 2016		
	Affiliated workshops	Consumers	Other workshops	Affiliated workshops	Consumers	Other workshops
Nominal growth	10,9	2,5	-0,9	8,6	0,4	-0,2
Currency adjusted growth	7,2	-0,8	-4,3	9,8	1,5	1,0

NUMBER OF WORKDAYS PER QUARTER AND COUNTRY

Mekonomen has no actual seasonal effects in its operations. However, the number of workdays affects sales and profits.

WORKDAYS BY COUNTRY	Q1			Q2			Q3			Q4			Full-year		
	2016	2015	2014	2016	2015	2014	2016	2015	2014	2016	2015	2014	2016	2015	2014
Sweden	61	62	62	62	60	59	66	66	66	64	63	62	253	251	249
Norway	61	63	63	62	59	59	66	66	66	64	63	62	253	251	250
Denmark	61	63	63	62	58	59	66	66	66	64	63	62	253	250	250
Finland	61	62	62	63	60	60	66	66	66	63	63	62	253	251	250

SIGNIFICANT RISKS AND UNCERTAINTIES

The company conducted a review and assessment of operating and financial risks and uncertainties in accordance with the 2015 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 31 of the 2015 Annual Report. For a full presentation of the risks affecting the Group, refer to the 2015 Annual Report.

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

The Parent Company's operations mainly comprise Group Management and finance management. As of 1 April 2016 all employees except for Group Management were transferred from the Parent Company to a central company that administers all Group-wide functions for Mekonomen Group. The Parent Company's earnings after net financial items were a negative SEK 8 M (neg: 12) for the fourth quarter and a negative SEK 57 M (neg: 53) for the full year, excluding write-down of shares in subsidiaries of negative SEK 28 M (neg: 35) for the fourth quarter and for the full year and excluding the share dividend from subsidiaries of SEK 0 M (68) for the fourth quarter and SEK 47 M (489) for the full year.

The average number of employees was 7 (15). During the fourth quarter, Mekonomen AB sold goods and services to Group companies for a total of SEK 9 M (11) and for SEK 35 M (37) in the full year.

As of 1 January 2016, disclosures previously reported under “Others” are now distributed between “Other segments” and “Other items” and more units have been added to “Other segments” from the now discontinued Mekonomen Nordic segment. Comparative figures have been restated. For further information, refer to “Accounting policies” on page 9 and for the comparative figures from 2014-2015, which have been restated, refer to the table “Quarterly data, continuing operations, segment” page 16.

“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, Marinshopen, 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). EBIT for “Other segments” amounted to negative SEK 16 M (neg: 26) for the fourth quarter and a negative SEK 84 M (neg: 106) for the full-year. EBIT was negatively impacted by non-recurring effects of SEK 13 M (1). The 2016 effect pertains to non-recurring costs for persons who have been part of group management, mainly the former CEO in an amount of SEK 11 M for the full year, nothing in the 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 fourth quarter and an expense of SEK 77 M (expense: 77) for the full-year.

EVENTS AFTER THE END OF THE PERIOD

Board members Caroline Berg and Mia Brunell Livfors have declared their seats available and during the Extra General Meeting on the 10 January 2017 Joseph M. Holsten and John S. Quinn were elected as new Board members in accordance with the proposal by LKQ. John S. Quinn was elected as Deputy Chairman.

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 year-end 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 year-end report consists of pages 1-23 and should be read in its entirety.

New standards or interpretations that became effective on 1 January 2016 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, except that exchange-rate differences pertaining to net investment in foreign operations as of 1 January 2016 have been recognised in profit or loss instead of in comprehensive income, in accordance with the changes in RFR 2. Comparative figures have been restated.

SEGMENT REPORTING

In an effort to streamline Mekonomen Group’s reporting structure, Mekonomen Sweden and Mekonomen Norway report directly to the President and CEO as of 2016. This has led to the removal of one organisational unit, Mekonomen Nordic. As of the first quarter of 2016, the Group is now managed and reported in four segments; MECA, Mekonomen Sweden, Mekonomen Norway and Sørensen og Balchen. Reporting according to the new segment structure has taken place since the first quarter of 2016. Comparative figures have been restated.

The MECA segment remains unchanged and mainly includes wholesale and store operations in Sweden and Norway and the export business to Denmark, until 28 December 2016, and the delivery and service of workshop equipment in Opus Equipment. As of 1 January 2015, the store operations in Denmark have been presented as discontinued operations and are not therefore included in the MECA segment. The Mekonomen Sweden segment mainly includes wholesale, store and fleet operations in Sweden. The Mekonomen Norway segment mainly includes store and fleet operations in Norway. The Sørensen og Balchen segment remains unchanged and mainly includes wholesale and store operations in Norway.

“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, Marinshopen, 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). The units reported in “Other segments” cannot produce the quantitative thresholds to be considered reportable, and the benefits of reporting these segments separately are considered limited for users of the financial statements. Mekonomen AB’s operations mainly comprise Group Management and finance management functions.

“Other items” includes acquisition-related items attributable to Mekonomen AB’s direct acquisitions.

As of 1 January 2016, disclosures previously reported under “Others” are now distributed between “Other segments” and “Other items,” and Mekonomen Finland, Mekonomen Iceland, Marinshopen and central administrative functions from the former Mekonomen Nordic segments have been added to “Other segments.” Comparative figures have been restated.

FORTHCOMING FINANCIAL REPORTING DATES

Information	Period	Date
Interim report	January - March 2017	10 May 2017
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

ANNUAL GENERAL MEETING

The 2016 Annual General Meeting will be held on 25 April 2017 in Stockholm. The Annual Report will be published and available on Mekonomen’s website not later than 4 April 2017.

SHARE DIVIDEND

The Board of Directors proposes a dividend of SEK 7.00 (7.00). As record date for the dividend, the Board proposes 27 April 2017. If the Annual General Meeting resolves to approve the proposal, the dividend will be paid on 3 May 2017. The final day for trading the company’s shares including the right to dividends is 25 April 2017.

NOMINATION COMMITTEE

In accordance with the guidelines established at the Annual General Meeting on 12 April 2016, Mekonomen has established a Nomination Committee. The Nomination Committee shall prepare and submit proposals to the Annual General Meeting on 25 April 2017 pertaining to the election of the Chairman at the Annual General Meeting, the number of Board members and deputy members, the election of Chairman of the Board and other members to the Board of Directors of the company, Board fees, as well as any remuneration for committee work, the election of and fees to be paid to auditors, and guidelines for the appointment of the Nomination Committee.

As LKQ Corporation is the largest shareholder in Mekonomen, after the purchase of Axel Johnson AB's 26.5 per cent of the total number of shares in Mekonomen, John S. Quinn, LKQ Corporation, has been appointed member of the Nomination Committee.

Caroline Berg, Axel Johnson AB Group, has left her position in the Nomination Committee, where she has also been Chairman.

The Nomination Committee prior to the 2017 Annual General Meeting therefore comprises John S. Quinn, LKQ Corporation, Jonathan Schönback, Handelsbanken Fonder, Mats Gustafsson, Lannebo Fonder and Arne Lööw, Fourth Swedish National Pension Fund. John S. Quinn has, according to the guidelines, been appointed Chairman of the Nomination Committee. Mekonomen's Chairman of the Board, Kenneth Bengtsson, has been co-opted to the Nomination Committee.

Stockholm, 15 February 2017
Mekonomen AB (publ), Corp. No Reg: 556392-1971

Pehr Oscarson
Acting President and CEO

This year-end report has not been audited.

For further information, please contact:
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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 15 February 2017.

The year-end 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	Oct - Dec 2016	Oct - Dec 2015	Jan - Dec 2016	Jan - Dec 2015
Continuing operations:				
Net sales	1 466	1 415	5 786	5 624
Other operating revenue	42	32	151	137
Total revenue	1 508	1 447	5 937	5 761
Goods for resale	-703	-648	-2 686	-2 529
Other external costs	-323	-305	-1 229	-1 167
Personnel expenses	-361	-343	-1 366	-1 282
Operating profit before depreciation/ amortisation and impairment of tangible and intangible fixed assets (EBITDA)	121	151	656	784
Depreciation and impairment of tangible fixed assets	-18	-13	-62	-57
Operating profit before amortisation and impairment of intangible fixed assets (EBITA)	103	138	594	726
Amortisation and impairment of intangible fixed assets	-29	-28	-113	-110
EBIT	74	109	481	616
Interest income	1	2	5	6
Interest expenses	-7	-8	-28	-33
Other financial items	3	6	-12	5
Profit after financial items	72	109	446	594
Tax	-6	-32	-105	-164
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS	66	76	342	430
Discontinued operations:				
Earnings for the period from discontinued operations ¹⁾	0	1	0	0
PROFIT FOR THE PERIOD	66	77	342	430
Profit for the period attributable to:				
Parent Company's shareholders	66	78	335	423
Non-controlling interests	0	-1	7	8
PROFIT FOR THE PERIOD	66	77	342	430
Earnings per share, before and after dilution, SEK				
- Earnings from continuing operations	1,83	2,14	9,32	11,77
- Earnings from discontinued operations	0,00	0,03	0,00	0,00
Profit for the period	1,83	2,17	9,32	11,77

¹⁾ The comparative period's gain for discontinued operations totalling SEK 1 M in the fourth quarter pertains to tax income. For further information about discontinued operations, see page 18.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, SEK M	Oct - Dec 2016	Oct - Dec 2015	Jan - Dec 2016	Jan - Dec 2015
Profit for the period	66	77	342	430
Other comprehensive income:				
<i>Components that will not be reclassified to earnings for the year:</i>				
- Actuarial gains and losses	0	2	-1	2
<i>Components that may later be reclassified to earnings for the year:</i>				
- Exchange-rate differences from translation of foreign subsidiaries ¹⁾	-17	-36	105	-88
- Cash-flow hedges ²⁾	1	1	-4	-1
Other comprehensive income/loss, net after tax	-16	-34	100	-87
COMPREHENSIVE INCOME FOR THE PERIOD	49	44	442	343
Comprehensive income/loss for the period attributable to:				
Parent Company's shareholders	49	44	434	336
Minority owners	0	-1	8	7
COMPREHENSIVE INCOME FOR THE PERIOD	49	44	442	343
Total comprehensive income attributable to Parent Company shareholders derived from:				
Continuing operations	50	46	431	337
Discontinued operations	-1	-1	3	-1

¹⁾ As at 31 December 2016, the accumulated translation reserve pertaining to Denmark was a 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. For further information about discontinued operations, see page 18.

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	31 December 2016	31 December 2015	31 December 2014
ASSETS¹⁾			
Intangible fixed assets	2 757	2 734	2 813
Tangible fixed assets	181	182	201
Financial fixed assets	46	51	65
Deferred tax assets	77	55	55
Goods for resale	1 279	1 226	1 223
Current receivables	821	818	769
Cash and cash equivalents	291	295	258
TOTAL ASSETS	5 452	5 361	5 384
SHAREHOLDERS' EQUITY AND LIABILITIES¹⁾			
Shareholders' equity	2 324	2 155	2 080
Long-term liabilities, interest-bearing	1 338	1 469	1 404
Deferred tax liabilities	163	169	168
Long-term liabilities, non-interest-bearing	24	8	3
Current liabilities, interest-bearing	404	461	495
Current liabilities, non-interest-bearing	1 199	1 099	1 234
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	5 452	5 361	5 384

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	31 December 2016	31 December 2015	31 December 2014
Shareholders' equity at the beginning of the year	2 155	2 080	2 240
Comprehensive income for the period	442	343	100
Acquisition/divestment of non-controlling interests	-14	-7	2
Dividend to shareholders	-259	-261	-262
SHAREHOLDERS' EQUITY AT THE END OF THE PERIOD	2 324	2 155	2 080
of which, non-controlling interests	14	12	14

CONDENSED CONSOLIDATED CASH-FLOW STATEMENT, SEK M	Oct - Dec 2016	Oct - Dec 2015	Jan - Dec 2016	Jan - Dec 2015
Operating activities				
<i>Cash flow from operating activities before changes in working capital, excluding tax paid</i>	143	160	642	782
Tax paid	1	-2	-153	-189
Cash flow from operating activities before changes in working capital	144	158	489	594
Cash flow from changes in working capital:				
Changes in inventory	-30	-9	-40	-19
Changes in receivables	103	72	33	-11
Changes in liabilities	-9	-26	61	-124
<i>Increase (-)/decrease (+) restricted working capital</i>	64	37	54	-154
Cash-flow from operating activities	208	195	544	439
Cash flow from investing activities	-23	-49	-94	-146
Cash flow from financing activities	-76	-95	-466	-245
CASH FLOW FOR THE PERIOD	108	51	-16	48
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	182	256	295	258
Exchange-rate difference in cash and cash equivalents	0	-12	12	-11
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	291	295	291	295

INFORMATION ON SIGNIFICANT CHANGES IN CONTINGENT LIABILITIES

The Parent Company, for the benefit of subsidiaries and in conjunction with the agreement with TGW Logistics Group, provided a guarantee of approximately SEK 129 M (EUR 13.5 M) to companies within TGW Logistics Group. The Parent Company has also provided a rental guarantee for the benefit of subsidiaries totalling SEK 282 M during the fourth quarter.

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 2015 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 2015 Annual Report, Note 11. The financial instruments contained in the interim report are the same as those in the 2015 annual accounts.

CONSOLIDATED DERIVATIVE INSTRUMENTS MEASURED AT FAIR VALUE IN THE BALANCE SHEET, SEK M	31 December 2016	31 December 2015
FINANCIAL ASSETS		
Derivatives: Currency swaps	-	-
Interest-rate swaps	-	-
TOTAL	-	-
FINANCIAL LIABILITIES		
Derivatives: Currency swaps	-	-
Interest-rate swaps	7	3
TOTAL	7	3

GROUP'S FINANCIAL ASSETS AND LIABILITIES BY MEASUREMENT CATEGORY, 31 December 2016							Total
SEK M	Derivative instruments	Loan and accounts receivable	Other financial liabilities	Total carrying amount	Fair value	Non-financial assets & liabilities	Balance sheet summary
FINANCIAL ASSETS							
Financial fixed assets	-	44	-	44	44	2	46
Accounts receivable	-	485	-	485	485	-	485
Other current receivables	-	-	-	-	-	335	335
Cash and cash equivalents	-	291	-	291	291	-	291
TOTAL	-	820	-	820	820	337	1 158
FINANCIAL LIABILITIES							
Long-term liabilities, interest-bearing	7	-	1 331	1 338	1 338	-	1 338
Current liabilities, interest-bearing	-	-	404	404	404	-	404
Accounts payable	-	-	612	612	612	-	612
Other current liabilities	-	-	-	-	-	588	588
TOTAL	7	-	2 346	2 353	2 353	588	2 941

QUARTERLY DATA, CONTINUING OPERATIONS, SEGMENT	FY	2016				2015				
		Q4	Q3	Q2	Q1	FY	Q4	Q3	Q2	Q1
NET SALES, SEK M ¹⁾										
MECA ²⁾	2 039	528	477	534	500	1 871	489	466	473	444
Mekonomen Sweden ³⁾	1 891	470	456	503	462	1 925	493	468	515	449
Mekonomen Norway ⁴⁾	836	210	209	223	194	814	191	195	224	204
Sørensen og Balchen	725	182	179	192	172	729	159	179	201	191
Other segments ⁵⁾	295	76	71	85	63	285	83	66	77	60
GROUP	5 786	1 466	1 392	1 537	1 391	5 624	1 415	1 374	1 489	1 346
EBITA, SEK M										
MECA ²⁾	217	16	53	85	62	258	52	54	80	71
Mekonomen Sweden ³⁾	190	42	56	40	53	289	53	78	92	65
Mekonomen Norway ⁴⁾	132	28	35	42	27	151	25	39	51	36
Sørensen og Balchen	117	29	29	36	24	117	26	30	35	25
Other segments ⁵⁾	-63	-11	-20	-15	-17	-87	-20	-5	-35	-28
GROUP	594	103	154	189	149	726	138	196	224	169
EBIT, SEK M										
MECA ²⁾	205	13	50	82	60	245	49	51	77	68
Mekonomen Sweden ³⁾	187	40	55	39	52	287	53	77	92	65
Mekonomen Norway ⁴⁾	132	28	35	42	27	151	25	39	51	35
Sørensen og Balchen	117	29	29	36	24	116	26	30	35	25
Other segments ⁵⁾	-84	-16	-25	-19	-23	-106	-26	-9	-39	-32
Other items ⁶⁾	-77	-19	-19	-19	-19	-77	-19	-19	-19	-19
GROUP	481	74	125	161	121	616	109	168	197	142
INVESTMENTS, SEK M ⁷⁾										
MECA ²⁾	16	6	3	4	3	17	5	2	2	8
Mekonomen Sweden ³⁾	30	14	5	5	6	29	12	2	6	9
Mekonomen Norway ⁴⁾	3	1	0	1	1	4	1	1	1	1
Sørensen og Balchen	5	2	1	1	1	3	1	0	1	1
Other segments ⁵⁾	57	21	11	18	8	50	14	14	14	8
GROUP	111	44	20	28	20	103	33	19	24	28
EBITA MARGIN, %										
MECA ²⁾	10	3	11	16	12	14	11	12	17	16
Mekonomen Sweden ³⁾	10	8	12	8	11	14	10	16	17	14
Mekonomen Norway ⁴⁾	15	13	16	18	14	18	13	19	22	17
Sørensen og Balchen	16	16	16	18	14	16	16	16	17	13
GROUP	10	7	11	12	10	13	10	14	15	12
EBIT MARGIN, %										
MECA ²⁾	10	2	10	15	12	13	10	11	16	15
Mekonomen Sweden ³⁾	10	8	12	8	11	14	10	16	17	14
Mekonomen Norway ⁴⁾	15	13	16	18	14	18	13	19	22	17
Sørensen og Balchen	16	16	16	18	13	16	16	16	17	13
GROUP	8	5	9	10	9	11	8	12	13	10

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

²⁾ As of 1 January 2015, the store operations in Denmark have been presented as discontinued operations and are not therefore included in the MECA segment. For further information about discontinued operations, refer to page 18.

³⁾ The Mekonomen Sweden segment mainly includes wholesale, store and fleet operations in Sweden. Mekonomen Sweden was previously included in the Mekonomen Nordic segment. For further information about the new segment structure, refer to "Accounting policies" on page 9. Items were reallocated in Mekonomen Sweden, representing higher net sales of SEK 4 M for Q4 2015 and SEK 51 M for full-year 2015, and a positive EBIT effect of SEK 2 M for Q4 2015 and SEK 28 M for full-year 2015, compared with the figures previously presented for Mekonomen Sweden under the Mekonomen Nordic segment

⁴⁾ The Mekonomen Norway segment mainly includes store and fleet operations in Norway. Mekonomen Norway was previously included in the Mekonomen Nordic segment. For further information about the new segment structure, refer to "Accounting policies" on page 9. Items were reallocated to Mekonomen Norway, representing higher net sales of SEK 4 M for Q4 2015 and SEK 11 M for full-year 2015, and a negative EBIT effect of SEK 9 M for Q4 2015 and negative effect of SEK 1 M for full-year 2015, compared with the figures previously presented for Mekonomen Norway under the Mekonomen Nordic segment.

⁵⁾ "Other segments" includes business operations and operating segments that are not reported separately. "Other segments" also includes units that were previously included in Mekonomen Nordic but are not included in Mekonomen Sweden or Mekonomen Norway. The comparative figures have been restated. For further information about the new segment division, refer to "Accounting policies" on page 9.

⁶⁾ "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. For further information about the new segment division, refer to "Accounting policies" on page 9.

⁷⁾ Investments do not include company and business combinations.

QUARTERLY DATA															
CONTINUING ACTIVITIES,															
SEK M	FY	Q4	Q3	Q2	Q1	FY	Q4	Q3	Q2	Q1	FY	Q4	Q3	Q2	Q1
Revenue	5 937	1 508	1 432	1 573	1 424	5 761	1 447	1 405	1 527	1 382	5 390	1 373	1 340	1 387	1 290
EBITA	594	103	154	189	149	726	138	196	224	169	763	184	214	210	156
EBIT	481	74	125	161	121	616	109	168	197	142	639	145	186	182	126
Net financial items	-35	-2	-13	-9	-11	-22	0	-15	-9	2	-19	-3	-12	-1	-4
Profit aft net fin items	446	72	112	152	110	594	109	154	188	144	620	142	174	181	123
Tax	-105	-6	-31	-40	-27	-164	-32	-42	-50	-39	-153	-40	-38	-44	-31
Profit for the period	342	66	82	112	83	430	76	111	138	105	466	102	135	137	92
EBITA margin, %	10	7	11	12	10	13	10	14	15	12	14	13	16	15	12
EBIT margin, %	8	5	9	10	9	11	8	12	13	10	12	11	14	13	10
Earn. p share, cont. operations, SEK	9,32	1,83	2,20	3,02	2,28	11,77	2,14	3,01	3,74	2,88	12,80	2,87	3,69	3,74	2,50
Earn. p share, discont. oper., SEK	0,00	0,00	0,00	0,00	0,00	0,00	0,03	0,00	-0,02	-0,01	-9,46	-7,55	-0,49	-0,75	-0,67
Earn. p share, SEK	9,32	1,83	2,20	3,02	2,28	11,77	2,17	3,01	3,72	2,87	3,34	-4,68	3,20	2,99	1,83
Shareh. equity per share, SEK	64,4	64,4	63,0	59,3	62,5	59,7	59,7	58,4	56,9	61,0	57,5	57,5	65,0	60,9	64,6
Cash fl p share, SEK ¹⁾	15,1	5,8	2,2	6,4	0,8	12,2	5,4	4,3	3,8	-1,3	11,5	5,0	3,2	5,4	-2,0
Return on equity, % ²⁾	15,1	15,1	15,9	17,6	18,7	20,0	20,0	20,9	21,9	21,3	20,6	20,6	18,3	17,2	16,6
Share pr, end of per.	171,5	171,5	167,0	182,0	201,0	173,0	173,0	194,0	202,5	227,5	204,0	204,0	156,5	171,5	178,5

¹⁾ The key figures are calculated including discontinued operations for each quarter.

²⁾ The key figures for return on shareholders' equity are calculated on a rolling 12-month basis for continuing operations for each quarter. For further information about discontinued operations, refer to page 18.

KEY FIGURES	Oct - Dec 2016	Oct - Dec 2015	Jan - Dec 2016	Jan - Dec 2015
Return on shareholders' equity, % ¹⁾	-	-	15,1	20,0
Return on total capital, % ¹⁾	-	-	8,7	11,5
Return on capital employed, % ¹⁾	-	-	11,6	15,2
Equity/assets ratio, %	-	-	42,6	40,2
Net debt, SEK M	1 437	1 626	1 437	1 626
Net debt/EBITDA, number of times	-	-	2,19	2,07
Gross margin, continuing operations, %	52,0	54,2	53,6	55,0
EBITA margin, continuing operations, %	8,0	10,4	11,0	13,6
EBIT margin, continuing operations, %	6,8	9,5	10,0	12,6
EBITDA margin, continuing operations, %	4,9	7,5	8,1	10,7
Earnings per share, continuing operations, SEK	1,83	2,14	9,32	11,77
Earnings per share, discontinued operations, SEK	0,00	0,03	0,00	0,00
Earnings per share, SEK	1,83	2,17	9,32	11,77
Shareholders' equity per share, SEK	-	-	64,4	59,7
Cash flow per share, SEK	5,8	5,4	15,1	12,2
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

¹⁾ The key figures for return on equity/total capital/capital employed pertain to continuing operations.

The balance sheet was not recalculated for discontinued operations. For further information about discontinued operations, see page 18.

NUMBER OF STORES AND WORKSHOPS	MECA ¹⁾		Mekonomen Sweden		Mekonomen Norway		Sørensen og Balchen		Other		Group total	
	31 December 2016	31 December 2015	31 December 2016	31 December 2015	31 December 2016	31 December 2015	31 December 2016	31 December 2015	31 December 2016	31 December 2015	31 December 2016	31 December 2015
	Number of stores											
Proprietary stores	75	72	112	113	32	32	37	35	5	5	261	257
Partner stores	10	13	20	21	13	13	35	35	3	3	81	85
Total	85	85	132	134	45	45	72	70	8	8	342	342
Number of workshops¹⁾												
Mekonomen Service Centres	-	102	427	439	339	345	-	-	43	37	809	923
MekoPartner	-	39	127	125	93	97	-	-	-	-	220	261
Speedy	-	-	-	-	-	-	-	-	26	20	26	20
BilXtra	-	-	-	-	-	-	255	246	-	-	255	246
MECA Car Service	711	676	-	-	-	-	-	-	-	-	711	676
Total	711	817	554	564	432	442	255	246	69	57	2 021	2 126

¹⁾ As of 1 January 2015, the store operations in Denmark have been presented as discontinued operations and the stores are not therefore included in the MECA segment. For further information about discontinued business see page 18. The workshops in Denmark are not included in the segment MECA as of 28 December, since the Danish operation was divested at this date

AVERAGE NUMBER OF EMPLOYEES, CONTINUING OPERATIONS	Jan - Dec 2016	Jan - Dec 2015
MECA ¹⁾	751	699
Mekonomen Sweden	706	771
Mekonomen Norway	263	261
Sørensen og Balchen	257	273
Other ²⁾	310	286
Total	2 287	2 290

¹⁾ As of 1 January 2015, the store operations in Denmark have been presented as discontinued operations and are not therefore included in the MECA segment. For further information about discontinued operations, see below.

²⁾ "Other segments" include Mekonomen's wholesale and store operations in Finland, Mekonomen's store operations in Iceland, Marinhopen, Meko Service Nordic with the BilLivet and Speedy workshop operations, the Car Share operations, Mekonomen car leasing service, Lasingoo Norway and Group-wide functions including Mekonomen AB (publ). Mekonomen AB's operations mainly comprise Group Management and finance management. As of 1 January 2016, "Other segments" includes units that were previously included in Mekonomen Nordic, but not included in Mekonomen Sweden or Mekonomen Norway. The comparative figures have been restated. For further information about the new segment division, refer to "Accounting policies" on page 9.

DISCONTINUED OPERATIONS

In December 2014, a decision was made regarding extensive structural changes and repositioning of the Group's Danish operations. All of the stores, which are also local warehouses, as well as the Danish head office have been closed. The franchise workshops were retained and these now receive deliveries of spare parts directly from regional and central warehouses, which has made logistics more efficient without intermediaries in the distribution chain.

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

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

As at 31 December 2016, the accumulated translation reserve pertaining to Denmark was a negative SEK 14 M. The translation reserve pertaining to Denmark will be reclassified in shareholders' equity via profit or loss in the current amount on the date when the Danish company is liquidated.

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

PROFIT/LOSS FOR THE PERIOD AND OTHER COMPREHENSIVE INCOME FROM DISCONTINUED OPERATIONS, SEK M	Oct - Dec 2016	Oct - Dec 2015	Jan - Dec 2016	Jan - Dec 2015
Revenue	0	0	0	36
Expenses	0	0	0	-36
Profit from discontinued operations - before tax	0	0	0	0
Tax	0	1	0	0
Profit/loss from discontinued operations - after tax	0	1	0	0
Other comprehensive income/loss:				
Exchange-rate differences on translation of foreign subsidiaries	-1	-2	3	-1
Comprehensive income/loss from discontinued operations	-1	-1	3	-1
CONDENSED CASH FLOW FROM DISCONTINUED OPERATIONS, SEK M	Oct - Dec 2016	Oct - Dec 2015	Jan - Dec 2016	Jan - Dec 2015
Cash flow from operating activities	-9	13	-17	-134
Cash flow from investing activities	0	2	5	29
Cash flow from financing activities	0	0	0	0
Cash flow from discontinued operations	-9	15	-12	-105

FINANCIAL REPORTS, PARENT COMPANY

CONDENSED INCOME STATEMENT FOR THE PARENT COMPANY, SEK M	Oct - Dec 2016	Oct - Dec 2015	Jan - Dec 2016	Jan - Dec 2015
Operating revenue	20	59	84	78
Operating expenses	-28	-75	-122	-130
EBIT	-8	-17	-38	-52
Net financial items ¹⁾	-27	37	0	453
Profit/loss after financial items	-35	20	-38	401
Appropriations	156	226	156	226
Tax	-10	-45	0	-37
PROFIT FOR THE PERIOD	111	201	118	589

¹⁾ Net financial items include dividends on participations in subsidiaries totalling SEK 0 M (68) for the fourth quarter and SEK 47 M (489) for the full-year, and an impairment loss on participations in subsidiaries of SEK 28 M (neg: 35) for the quarter and the full-year. Of the impairment loss on participations in subsidiaries SEK 28 M (neg: 26) relates to subsidiaries in Denmark during the quarter and full-year. From 1 January 2016, net financial items include exchange rate difference related to net investments in foreign operations of negative SEK 1 M (neg: 2) in the fourth quarter and negatively SEK 4 (neg: 3) for the full-year. Comparative figures have been restated.

STATEMENT OF COMPREHENSIVE INCOME FOR THE PARENT COMPANY, SEK M	Oct - Dec 2016	Oct - Dec 2015	Jan - Dec 2016	Jan - Dec 2015
Profit for the period	111	201	118	589
Other comprehensive income net after tax ¹⁾	-	-	-	-
COMPREHENSIVE INCOME FOR THE PERIOD	111	201	118	589

¹⁾ Due to deletion of the exception in RFR 2 for recognition of exchange-rate differences pertaining to net investment in foreign operations, as of 1 January 2016, exchange-rate differences are presented in profit or loss rather than other comprehensive income. The comparative figures have been restated.

CONDENSED BALANCE SHEET FOR THE PARENT COMPANY, SEK M	31 December 2016	31 December 2015
ASSETS		
Fixed assets	3 190	3 147
Current receivables in Group companies	1 242	1 583
Other current receivables	77	67
Cash and cash equivalents	163	210
TOTAL ASSETS	4 673	5 007
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity	2 642	2 775
Untaxed reserves	210	175
Provisions	2	2
Long-term liabilities	1 324	1 460
Current liabilities in Group companies	69	117
Other current liabilities	426	478
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	4 673	5 007

SUMMARY OF CHANGES IN EQUITY FOR THE PARENT COMPANY, SEK M	31 December 2016	31 December 2015
Shareholders' equity at the beginning of the year	2 775	2 437
Comprehensive income for the period	118	589
Dividend to shareholders	-251	-251
SHAREHOLDERS' EQUITY AT THE END OF THE PERIOD	2 642	2 775

ALTERNATIVE PERFORMANCE MEASURES

From the January-June 2016 interim report, Mekonomen applies the new 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 22. 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.

*The European Securities and Markets Authority.

RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES

RETURN ON SHAREHOLDERS' EQUITY SEK M	Jan - Dec 2016	Jan - Dec 2015
Profit from continuing operations for the period	342	430
- Minus non-controlling interests' share of profit for the period	-7	-8
Profit for the period excluding non-controlling interests' share	335	423
- Divided by SHAREHOLDERS' EQUITY ATTRIBUTABLE TO PARENT COMPANY'S SHAREHOLDERS, average over the past five quarters ¹⁾	2 218	2 108
RETURN ON SHAREHOLDERS' EQUITY, %	15,1	20,0

¹⁾ SHAREHOLDERS' EQUITY ATTRIBUTABLE TO PARENT COMPANY'S SHAREHOLDERS, SEK M	2016				2015				2014			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Shareholders' equity	2 324	2 276	2 139	2 257	2 155	2 111	2 053	2 204	2 080	2 344	2 192	2 331
- Minus Non-controlling interests' share of shareholders' equity	-14	-13	-10	-13	-12	-13	-10	-14	-14	-10	-7	-14
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO PARENT COMPANY'S SHAREHOLDERS	2 311	2 263	2 129	2 244	2 143	2 098	2 043	2 190	2 066	2 334	2 185	2 318
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO PARENT COMPANY'S SHAREHOLDERS, average over the past five quarters	2 218	2 175	2 132	2 144	2 108	2 146	2 164	2 219	2 226	2 254	2 221	2 243

RETURN ON TOTAL CAPITAL SEK M	Jan - Dec 2016	Jan - Dec 2015
Profit after financial items	446	594
- Plus Interest expenses	28	33
Profit after financial items plus interest expenses	475	627
- Divided by TOTAL ASSETS, average over the past five quarters ²⁾	5 430	5 438
RETURN ON TOTAL CAPITAL, %	8,7	11,5

²⁾ TOTAL ASSETS SEK M	2016				2015				2014			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Total assets	5 452	5 466	5 481	5 387	5 361	5 426	5 392	5 627	5 384	5 631	5 580	5 634
TOTAL ASSETS, average over the past five quarters	5 430	5 424	5 410	5 439	5 438	5 492	5 523	5 571	5 535	5 545	5 526	5 543

RETURN ON CAPITAL EMPLOYED SEK M	Jan - Dec 2016	Jan - Dec 2015
Profit after financial items	446	594
- Plus Interest expenses	28	33
Profit after financial items plus interest expenses	475	627
- Divided by CAPITAL EMPLOYED, average over the past five quarters ³⁾	4 107	4 134
RETURN ON CAPITAL EMPLOYED, %	11,6	15,2

3) CAPITAL EMPLOYED	2016				2015				2014			
SEK M	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Total assets	5 452	5 466	5 481	5 387	5 361	5 426	5 392	5 627	5 384	5 631	5 580	5 634
- Minus Deferred tax liabilities	-163	-142	-148	-158	-169	-149	-156	-160	-168	-189	-201	-208
- Minus Long-term liabilities, non-interest-bearing	-24	-25	-25	-9	-8	-4	-3	-3	-3	-1	-1	-1
- Minus Current liabilities, non-interest-bearing	-1 199	-1 205	-1 154	-1 087	-1 099	-1 131	-1 068	-1 167	-1 234	-1 129	-1 055	-1 056
CAPITAL EMPLOYED	4 066	4 094	4 155	4 133	4 086	4 143	4 165	4 297	3 980	4 312	4 323	4 369
CAPITAL EMPLOYED average over the past five quarters	4 107	4 122	4 136	4 165	4 134	4 180	4 216	4 256	4 232	4 275	4 261	4 272

GROSS MARGIN	Oct - Dec	Oct - Dec	Jan - Dec	Jan - Dec
SEK M	2016	2015	2016	2015
Net sales	1 466	1 415	5 786	5 624
- Minus Goods for resale	-703	-648	-2 686	-2 529
Total	763	767	3 100	3 095
- Divided by Net sales	1 466	1 415	5 786	5 624
GROSS MARGIN, %	52,0	54,2	53,6	55,0

EARNINGS PER SHARE	Oct - Dec	Oct - Dec	Jan - Dec	Jan - Dec
SEK M	2016	2015	2016	2015
Profit for the period	66	77	342	430
- Minus Non-controlling interests' share	0	1	-7	-8
Profit for the period attributable to Parent Company's shareholders	66	78	335	423
- Divided by Average number of shares ⁴⁾	35 901 487	35 901 487	35 901 487	35 901 487
EARNINGS PER SHARE, SEK	1,83	2,17	9,32	11,77

SHAREHOLDERS' EQUITY PER SHARE	Jan - Dec	Jan - Dec
SEK M	2016	2015
Shareholders' equity	2 324	2 155
- Minus Non-controlling interests' share	-14	-12
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO PARENT COMPANY'S SHAREHOLDERS	2 311	2 143
- Divided by Average number of shares ⁴⁾	35 901 487	35 901 487
SHAREHOLDERS' EQUITY PER SHARE, SEK	64,4	59,7

CASH FLOW PER SHARE	Oct - Dec	Oct - Dec	Jan - Dec	Jan - Dec
SEK M	2016	2015	2016	2015
Cash flow from operating activities	208	195	544	439
- Divided by Average number of shares ⁴⁾	35 901 487	35 901 487	35 901 487	35 901 487
CASH FLOW PER SHARE, SEK	5,8	5,4	15,1	12,2

4) AVERAGE NUMBER OF SHARES	Oct - Dec	Oct - Dec	Jan - Dec	Jan - Dec
	2016	2015	2016	2015
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	92	92	366	365
Number of shares at a different time during the period	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
- Total divided by number of days during the period	92	92	366	365
AVERAGE NUMBER OF SHARES	35 901 487	35 901 487	35 901 487	35 901 487

NET DEBT SEK M	31 December 2016	31 December 2015	31 December 2014
Long-term liabilities, interest-bearing	1 338	1 469	1 404
- Minus interest-bearing long-term liabilities and provisions for pensions, leasing, derivatives and similar obligations	-11	-7	-8
Current liabilities, interest-bearing	404	461	495
- Minus interest-bearing current liabilities and provisions for pensions, leasing, derivatives and similar obligations	-2	-2	-5
- Minus Cash and cash equivalents	-291	-295	-258
NET DEBT	1 437	1 626	1 629

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.
Operating costs	Operating costs consists of other external costs, personnel expenses and depreciation/amortisation and impairment of tangible and intangible fixed assets.
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

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