

Mekonomen Group

Year-end report January - December 2015

17 February 2016

1 October - 31 December 2015 ¹⁾

- Revenue increased 5 per cent to SEK 1,447 M (1,373). Excluding the acquisition of Opus Equipment, revenue increased 3 per cent. Adjusted for currency effects and calculated on the comparable number of workdays, revenue rose 7 per cent. Sales in comparable units rose 5 per cent.
- EBITA amounted to SEK 138 M (184) and the EBITA margin amounted to 10 per cent (13).
- EBIT amounted to SEK 109 M (145) and the EBIT margin was 8 per cent (11). In the fourth quarter non-recurring costs have affected EBIT negatively totalling SEK 21 M. MECA's export business to Denmark has affected EBIT negatively totalling SEK 11 M.
- The gross margin amounted to 54.2 per cent (56.1).
- Earnings per share, before and after dilution, amounted to SEK 2.14 (2.87).
- Cash flow from operating activities rose to SEK 195 M (178), of which discontinued operations comprised SEK 13 M (neg: 25).

1 January - 31 December 2015 ¹⁾

- Revenue increased 7 per cent to SEK 5,761 M (5,390). Excluding the acquisition of Opus Equipment, revenue increased 6 per cent. Adjusted for currency effects and calculated on the comparable number of workdays, revenue rose 8 per cent.
- EBITA amounted to SEK 726 M (763) and the EBITA margin amounted to 13 per cent (14).
- EBIT amounted to SEK 616 M (639) and the EBIT margin amounted to 11 per cent (12).
- Earnings per share before and after dilution amounted to SEK 11.77 (12.80).
- Cash flow from operating activities rose to SEK 439 M (413), of which discontinued operations comprised a negative SEK 134 M (neg: 115).
- Net debt amounted to SEK 1,626 M (1,629).
- The Board of Directors proposes a dividend of SEK 7.00 (7.00).

SUMMARY OF THE GROUP'S EARNINGS TREND SEK M	Oct. - Dec. 2015	Oct. - Dec. 2014	Change, %	Jan. - Dec. 2015	Jan. - Dec. 2014	Change, %
Revenue	1 447	1 373	5	5 761	5 390	7
Operating profit before amortisation and impairment of intangible fixed assets (EBITA)	138	184	-25	726	763	-5
EBIT	109	145	-25	616	639	-4
Profit after financial items	109	142	-23	594	620	-4
Profit after tax, continuing operations	76	102	-25	430	466	-8
Profit after tax, discontinued operations	1	-271	-100	0	-340	-100
Profit after tax	77	-169	-146	430	127	239
Earnings per share, continuing operations, SEK	2,14	2,87	-25	11,77	12,80	-8
Earnings per share, discontinued operations, SEK	0,03	-7,55	-100	0,00	-9,46	-100
Earnings per share, SEK	2,17	-4,68	-146	11,77	3,34	252
EBITA margin, %	10	13		13	14	
EBIT margin, %	8	11		11	12	

The amounts in the table above pertain to continuing operations, except for Profit after tax and Earnings per share. Comparative figures have been recalculated. For further information about discontinued operations, see page 17.

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

CEO's comments

Continued good growth but a quarter affected negatively by non-recurring costs

The fourth quarter was characterised by continued good growth which confirms the group's trend of capturing market shares in its main markets during 2015. Non-recurring costs and Denmark had a negative impact of about SEK 30 M on operating profit during the fourth quarter. The weakening of the NOK during the quarter has been offset by price increases. Cash flow from operating activities strengthened in the quarter.

Mekonomen Group's revenue for the fourth quarter of 2015 increased 5 per cent to SEK 1,447 M (1,373). The good growth in the quarter is primarily driven by increased sales to affiliated and independent workshops, where the growth reached over 10 per cent. Increased market investments together with the development of ProMeister and that we systematically improved the availability of spare parts locally are the main factors behind the positive development.

The operating profit declined to SEK 109 M (145), where the operating profit in the fourth quarter was impacted by non-recurring costs. The non-recurring costs are mainly pertained to inventory impairment and provisions for returns as well as organisational changes and discontinuation of stores in Mekonomen Sweden. In addition, MECA's export business to Denmark continued to have negative effect on earnings.

When summing up 2015 we can conclude that Sørensen og Balchen, Mekonomen Norway and MECA, excluding the Danish export business, strengthened their earnings in the fourth quarter and the full-year of 2015. We can also conclude that all group companies captured market shares in 2015.

During the full-year 2015, Mekonomen Group was negatively impacted by the weakening of the NOK, our export business to Denmark and the non-recurring costs in the fourth quarter. At the same time, Mekonomen Group has strengthened its position in the market and initiated key initiatives for the future.

The market trend has been stable compared with the year-earlier period and the conditions for 2016 are that we have a slightly larger car fleet as the new car sales in Sweden reached a historical high level. We see potential in a slightly stronger market in 2016. In the short run, we are also able to report that the cold weather in January had a positive impact on sales.

MECA's export business to Denmark is expected to have a continued negative impact on earnings in the first quarter of 2016 and we note a fewer number of workdays in the first quarter of 2016 compared with the year-earlier period.

We continue to have a favourable sales for our proprietary brand ProMeister, which accounted for about 13 per cent of spare parts sales in the group in the fourth quarter and Mekonomen Group's sales of ProMeister during 2015 amounts to more than SEK 500 M.

Our efforts to increase quality in our workshops remain in focus, as well as the investment in our digital business, with a group-wide e-commerce platform for B2B and B2C. In addition, going forward we will increase focus on reviewing possible synergies in our logistics function with retained delivery assurance, which is one of the cornerstones of our offering to workshops. We have good conditions to streamline the operation in the future while maintaining a high rate of innovation.

With our strong customer focus, Mekonomen Group stands well equipped to create profitable growth!

Magnus Johansson
President and CEO

MEKONOMEN GROUP IN BRIEF

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

Business concept

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

Business flow

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



GROUP REVENUE

TOTAL REVENUE DISTRIBUTION, CONTINUING OPERATIONS, SEK M	Oct. - Dec. 2015	Oct. - Dec. 2014	Change, %	Jan. - Dec. 2015	Jan. - Dec. 2014	Change, %
MECA	489	435	12	1 871	1 679	11
Mekonomen Nordic	710	685	4	2 817	2 692	5
Sørensen og Balchen	159	176	-10	729	712	2
Other	57	50	15	208	180	15
Total net sales	1 415	1 347	5	5 624	5 262	7
Other operating revenue	32	26	20	137	128	7
GROUP REVENUE	1 447	1 373	5	5 761	5 390	7

GROWTH PER CENT	October-December 2015				January-December 2015			
	MECA	Mekonomen Nordic	Sørensen og Balchen	Group	MECA	Mekonomen Nordic	Sørensen og Balchen	Group
Underlying increase	14.6	4.4	-3.8	7.2	12.9	5.2	6.0	8.1
Currency effects	-3.7	-2.3	-7.5	-3.3	-2.0	-1.2	-4.1	-1.8
Effect, workdays	1.6	1.6	1.4	1.5	0.6	0.7	0.4	0.6
Nominal increase	12.5	3.6	-9.9	5.4	11.5	4.6	2.3	6.9

1 October – 31 December 2015

Revenue for continuing operations rose 5 per cent to SEK 1,447 M (1,373). Excluding the acquisition of Opus Equipment, revenue increased 3 per cent. Adjusted for negative currency effects of SEK 45 M, revenues rose 9 per cent. The number of workdays was one day more in Sweden, Norway, Denmark and Finland during the fourth quarter compared with the year-earlier period. Calculated on comparable workdays and adjusted for currency effects, revenue increased 7 per cent. Sales in comparable units rose 5 per cent.

1 January – 31 December 2015

Revenue for continuing operations rose 7 per cent to SEK 5,761 M (5,390). Excluding the acquisition of Opus Equipment, revenue increased 6 per cent. Adjusted for negative currency effects of SEK 95 M, revenues rose 9 per cent. The number of workdays for the full-year was two days more in Sweden, one day more in Norway and Finland and unchanged in Denmark, compared with the year-earlier period. Calculated on comparable workdays and adjusted for currency effects, revenues increased 8 per cent. Sales in comparable units rose 5 per cent.

GROUP PERFORMANCE

1 October – 31 December 2015

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

EBITA for continuing operations amounted to SEK 138 M (184) and the EBITA margin amounted to 10 per cent (13). Earnings were negatively impacted by non-recurring effects of SEK 21 M (0) pertaining to inventory impairment and provisions for returns totalling SEK 11 M and non-recurring costs related to organisational changes and discontinuation of stores in Mekonomen Sweden totalling SEK 10 M. MECA's export business to Denmark has affected EBITA negatively totalling SEK 11 M. Currency effects in the balance sheet had a positive impact of SEK 6 M (neg: 14) on EBITA.

EBIT

EBIT for continuing operations amounted to SEK 109 M (145) and the EBIT margin amounted to 8 per cent (11). Earnings were negatively impacted by non-recurring effects of SEK 21 M (0) pertaining to areas recognised above for EBITA. MECA's export business to Denmark has affected EBIT negatively totalling SEK 11 M. Currency effects in the balance sheet had a positive impact of SEK 6 M (neg: 14) on EBIT.

Other earnings

Profit after financial items for continuing operations amounted to SEK 109 M (142). Net interest expense amounted to SEK 6 M (expense: 8) and other financial items to SEK 6 M (5). Profit after tax for continuing operations amounted to SEK 76 M (102), for discontinued operations to SEK 1 M (loss: 271) and to SEK 77 M (loss: 169) in total. Earnings per share for continuing operations, before and after dilution, amounted to SEK 2.14 (2.87), for discontinued operations to SEK 0.03 (neg: 7.55) and totalled SEK 2.17 (neg: 4.68).

1 January – 31 December 2015

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

EBITA for continuing operations amounted to SEK 726 M (763) and the EBITA margin amounted to 13 per cent (14). Earnings were negatively impacted by non-recurring effects of SEK 22 M (10). MECA's export business to Denmark has affected EBITA negatively totalling SEK 31 M. Currency effects in the balance sheet had a positive impact of SEK 0 M (neg: 14) on EBITA.

EBIT

EBIT for continuing operations amounted to SEK 616 M (639) and the EBIT margin amounted to 11 per cent (12). Earnings were negatively impacted by non-recurring effects of SEK 22 M (10). MECA's export business to Denmark has affected EBIT negatively totalling SEK 31 M. Currency effects in the balance sheet had a positive impact of SEK 0 M (neg: 14) on EBIT.

Other earnings

Profit after financial items for continuing operations increased to SEK 594 M (620). Net interest expense amounted to SEK 27 M (expense: 35) and other financial items to SEK 5 M (16). Other financial items were positively impacted by non-recurring effects of SEK 7 M (10). Profit after tax for continuing operations amounted to SEK 430 M (466), for discontinued operations to SEK 0 M (loss: 340) and totalled SEK 430 M (127). Earnings per share for continuing operations, before and after dilution, amounted to SEK 11.77 (12.80), for discontinued operations to SEK 0.00 (neg: 9.46), and totalled SEK 11.77 (3.34).

FINANCIAL POSITION AND CASH FLOW

Cash flow from operating activities amounted to SEK 195 M (178) for the fourth quarter, of which discontinued operations comprised SEK 13 M (neg: 25) and for the full-year to SEK 439 M (413), of which discontinued operations comprised a negative SEK 134 M (neg: 115). Tax paid amounted to SEK 2 M (0) for the fourth quarter and to SEK 189 M (160) for the full year. Cash and cash equivalents amounted to SEK 295 M (258) at the end of the year. The equity/assets ratio was 40 per cent (39). Long-term interest-bearing liabilities amounted to SEK 1,469 M (1,404). Current interest-bearing liabilities amounted to SEK 461 M (495). Long-term interest-bearing liabilities rose during the year primarily due to higher utilisation of credit facilities totalling SEK 200 M.

Net debt amounted to SEK 1,626 M (1,629). Net debt declined SEK 133 M during the fourth quarter. The largely unchanged net debt is an effect of the dividends of SEK 261 M, of which SEK 251 M were dividends to Parent Company shareholders, amortisation, investments and acquisitions, as well as positive operating cash flow. During the fourth quarter, loans were amortised by SEK 34 M and by SEK 147 M during the full-year, of which SEK 11 M pertains to the amortisation of loans in the acquired company, Opus Equipment AB.

INVESTMENTS

During the fourth quarter, investments in fixed assets amounted to SEK 33 M (27) and to SEK 103 M (75), of which discontinued operations SEK 0 M (5), during the full-year. Depreciation and impairment of tangible fixed assets in continuing operations amounted to SEK 13 M (14) for the fourth quarter and to SEK 57 M (61) for the full-year.

During the quarter, company and business acquisitions amounted to SEK 13 M (17) and to SEK 68 M (65) during the full year. Acquired assets totalled SEK 79 M (21) and assumed liabilities SEK 38 M (8) for the full year. In addition to goodwill, which amounted to SEK 16 M (35), intangible surplus values of SEK 0 M (4) were identified pertaining to brands, SEK 0 M (1) pertaining to capitalised expenditure for IT systems and SEK 12 M (13) for customer relations. Deferred tax liabilities attributable to acquired intangible fixed assets amounted to SEK 1 M (1). Acquired minority shares amounted to SEK 9 M (3) for the fourth quarter and to SEK 17 M (6) for the full year. Divested minority shares amounted to SEK 9 M (3) for the fourth quarter and to SEK 9 M (3) for the full year.

ACQUISITIONS AND START-UPS

Fourth quarter

Mekonomen Nordic acquired minority shares in 16 stores, 13 in Sweden and three in Norway, for a minor amount. In Sweden, one partner store was also acquired in Karlskrona. Meko Service Nordic acquired one workshop in Karlskrona, as well as minority shares in a workshop in Tyresö.

Earlier in the year

MECA has acquired OPUS Equipment AB, a comprehensive supplier of workshop equipment for car workshops vehicle inspection. The supply of workshop equipment is a new business within the Mekonomen Group that offer equipment with assembly and maintenance service to existing and new customers in the automotive aftermarket. The purchase price for the shares amounted to SEK 41 M and the net debt that was taken over amounted to SEK 10 M. Consolidation of the company occurred from 1 July 2015 in the Mekonomen Group. Mekonomen Nordic acquired minority shares in five stores for a minor amount. In Sweden, two partner stores were also acquired in Kiruna and Linköping, as well as three workshops in Härnösand, Ljusdal and Lidingö in Stockholm. Mekonomen Nordic also acquired a partner store in Iceland. MECA acquired a partner store and workshop in Köping. Sørensen og Balchen has acquired all minority shares in DinDel Norway, and has also established a store in Mysen.

The acquired company, Opus Equipment AB, has impacted net sales for the Group totalling SEK 36 M in the fourth quarter, and SEK 66 M in the full year, as well as EBITA and EBIT for the fourth quarter by SEK 1 M, EBITA for the full year by SEK 4 M and EBIT by SEK 3 M, excluding acquisition costs. Other acquisitions had only a marginal impact on consolidated sales and earnings.

Number of stores and workshops

The total number of stores in the chains for continuing operations at the end of the period was 342 (351), of which 257 (258) were proprietary stores. The number of affiliated workshops totalled 2,126 (2,304). See distribution in the table on page 16.

EMPLOYEES

The number of employees in continuing operations at year-end was 2,348 (2,140) and the average number of employees during the year was 2,290 (2,131). See distribution in the table on page 17.

PERFORMANCE BY SEGMENT

SEGMENT MECA

MECA ¹⁾	Oct. - Dec.	Oct. - Dec.		Jan. - Dec.	Jan. - Dec.	
SEK M	2015	2014	Change, %	2015	2014	Change, %
Net sales, external	489	435	12	1 871	1 679	11
Operating profit before amortisation and impairment of intangible fixed assets (EBITA)	52	72	-27	258	268	-4
EBIT ²⁾	49	57	-13	245	243	1
EBITA margin, %	11	16		14	16	
EBIT margin, % ²⁾	10	13		13	14	
Number of stores/of which own				85 / 72	87 / 72	
Number of Mekonomen Service Centres				102	195	
Number of MekoPartner				39	153	
Number of MECA Car Service				676	628	

¹⁾ From 1 January 2015, the store operation in Denmark is presented as a discontinued operation and therefore not included in the MECA segment. Comparative figures have been recalculated. For further information about discontinued operations, see page 17.

²⁾ Acquisition-related items attributable to Mekonomen AB's direct acquisition of MECA have been reallocated from the MECA segment to "Other." Comparative figures have been recalculated. Amortisation of acquired intangible assets for the quarter totalling SEK 15 M (15) and SEK 60 M (60) for the full-year have been reallocated from EBIT for MECA to EBIT for "Other."

Considerable sales activities, combined with discounts in the export business to Denmark had a negative impact of SEK 11 M on MECA's EBIT in the fourth quarter and SEK 31 M for the full year. Net sales for the export business to Denmark during the fourth quarter amounted to SEK 20 M and to SEK 54 M for the full year. A strong sales increase to MECA Car Service workshops was key to MECA's increase in net sales for the quarter and the full year. The sales trend for ProMeister also contributed to higher volumes during the quarter and the full year. Opus Equipment was consolidated from 1 July 2015 and had an impact of SEK 36 M on sales for the fourth quarter and SEK 66 M for the full year, as well as impacting EBITA and EBIT by SEK 1 M during the fourth quarter and EBITA by SEK 4 M and EBIT by SEK 3 M during the full year, excluding acquisition-related expenses of SEK 1 M pertaining to Opus Equipment had a negative impact on MECA's EBIT for the full year, and SEK 0 M in the fourth quarter. The currency effect on net sales against the NOK was a negative SEK 16 M in the fourth quarter and a negative SEK 34 M for the full year. Measures have been taken to compensate for the negative transaction effects of the weaker NOK. Non-recurring effects pertaining to provisions for returns in Sweden and Norway in the fourth quarter had a negative impact of SEK 2 M (0) on earnings. In addition, MECA had a negative impact on the gross margin during the fourth quarter from a higher proportion of sales to major customers.

The number of workdays was one day more in Sweden and Norway compared with the year-earlier period and two days more in Sweden and one day more in Norway for the full year. The underlying net sales increased 15 per cent in the fourth quarter and rose 13 per cent for the full year. MECA's EBIT amounted to SEK 49 M (57) for the quarter. EBITA and EBIT were negatively impacted by personnel-related non-recurring costs of SEK 9 M in the comparative, year-earlier, full-year period. There was no impact in the comparative period for the fourth quarter.

SEGMENT MEKONOMEN NORDIC

MEKONOMEN NORDIC	Oct. - Dec.	Oct. - Dec.		Jan. - Dec.	Jan. - Dec.	
SEK M	2015	2014	Change, %	2015	2014	Change, %
Net sales, external	710	685	4	2 817	2 692	5
Operating profit before amortisation and impairment of intangible fixed assets (EBITA)	78	97	-20	412	422	-2
EBIT	72	93	-23	393	401	-2
EBITA margin, %	11	14		14	15	
EBIT margin, %	10	13		13	14	
Number of stores/of which own				187 / 150	192 / 151	
Number of Mekonomen Service Centres				803	863	
Number of MekoPartner				222	202	

Operating profit was negatively impacted by non-recurring costs totalling SEK 18 M (0) in the fourth quarter and SEK 18 M (1) for the full year. Non-recurring effects pertaining to conversion costs for Mekonomen Sweden's extensive changes in work method and sales organisation, the establishment of a new field organisation, as well as

the discontinuation of two stores had a negative impact of SEK 10 M (0) on earnings in the fourth quarter. Non-recurring effects pertaining to provisions for returns in Sweden, Norway and Finland had a negative impact of SEK 2 M (0) on earnings in the fourth quarter. Non-recurring effects pertaining to inventory impairments in Sweden and Finland have also had a negative impact of SEK 6 M (0) on earnings in the fourth quarter.

The sales trend for ProMeister and the new sales organisation contributed to higher volumes to other workshops during the fourth quarter, primarily in Mekonomen Sweden. In Mekonomen Norway, the most important growth driver was sales to Mekonomen Service Centres. Implemented quality initiatives in Sweden led to a slightly lower number of affiliated workshops, which negatively impacted sales to the affiliated workshops customer group. The underlying net sales rose 4 per cent in the fourth quarter and 5 per cent for the full year. The currency effect on net sales against the NOK was negative SEK 16 M during the fourth quarter and negative SEK 32 M for the full year. Measures have been taken to compensate for the negative transactions effect from the weaker NOK. The number of workdays was one day more in Sweden, Norway and Finland compared with the year-earlier period and two days more in Sweden and one day more in Norway and Finland for the full year.

Mekonomen Sweden's EBIT margin was 10 per cent (14) in the fourth quarter and 13 per cent (15) for the full year. EBIT for the quarter amounted to SEK 51 M (67) and to SEK 259 M (274) for the full year. Net sales rose to SEK 488 M (451) in the fourth quarter and increased to SEK 1,874 M (1,746) for the full year. EBIT margin for Mekonomen Norway increased to 17 per cent (15) in the fourth quarter and to 18 per cent (16) for the full year. EBIT for the quarter increased to SEK 34 M (32) and to SEK 152 M (133) for the full year. Net sales amounted to SEK 188 M (197) in the fourth quarter and increased to SEK 803 M (791) for the full year.

SEGMENT SØRENSEN OG BALCHEN

SØRENSEN OG BALCHEN SEK M	Oct. - Dec.			Jan. - Dec.		
	2015	2014	Change, %	2015	2014	Change, %
Net sales, external	159	176	-10	729	712	2
Operating profit before amortisation and impairment of intangible fixed assets (EBITA)	26	22	18	117	109	7
EBIT ¹⁾	26	22	18	116	109	6
EBITA margin, %	16	12		16	15	
EBIT margin, % ¹⁾	16	12		16	15	
Number of stores/of which own				70 / 35	71 / 34	
Number of BilXtra				246	232	

¹⁾ Acquisition-related items attributable to Mekonomen AB's direct acquisitions of Sørensen og Balchen AS have been reallocated from Segment Sørensen og Balchen to "Other." Comparative figures have been recalculated. Amortisation of acquired intangible assets for the quarter totalling SEK 4 M (4) and SEK 17 M (18) for the full-year have been reallocated from EBIT for Sørensen og Balchen to EBIT for "Other."

Sørensen og Balchen reported a favourable trend for sales to affiliated BilXtra workshops and also reported a healthy trend for sales of accessories for the quarter and the full-year period. However, this had a negative impact on the gross margin. The underlying net sales declined 4 per cent in the fourth quarter and increased 6 per cent for the full year. The currency effect in net sales against the NOK was a negative SEK 13 M in the fourth quarter and a negative SEK 29 M for the full year. Measures have been taken to compensate for the negative transactions effect from the weaker NOK. EBITA and EBIT increased to SEK 26 M (22) for the fourth quarter.

SALES GROWTH PER CUSTOMER GROUP

GROWTH PER CUSTOMER GROUP CONTINUING OPERATIONS, PER CENT	October-December 2015			January-December 2015		
	Affiliated workshops	Consumers	Other workshops	Affiliated workshops	Consumers	Other workshops
Nominal growth	6,2	-0,7	6,7	9,4	3,8	6,7
Currency adjusted growth	9,6	2,4	10,7	11,2	5,4	8,7

NUMBER OF WORKDAYS PER QUARTER AND COUNTRY

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

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

SIGNIFICANT RISKS AND UNCERTAINTIES

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

PARENT COMPANY, OTHER OPERATIONS AND ELIMINATIONS

The Parent Company's operations comprise mainly Group Management and finance management. The Parent Company's earnings after net financial items amounted to a negative SEK 10 M (neg: 5) for the fourth quarter and a negative SEK 50 M (neg: 37) for the full year, excluding impairment of shares in subsidiaries totalling SEK 35 M (486) for the quarter and the full year, and excluding dividends from subsidiaries totalling SEK 68 M (0) for the quarter and SEK 489 M (888) for the full year. The average number of employees was 15 (15). During the quarter, Mekonomen AB sold products and services totalling SEK 11 M (12) to Group companies and SEK 37 M (42) for the full year.

"Other" comprises Mekonomen AB, the purchasing company in Hong Kong, Meko Service Nordic, the joint venture in Poland (InterMeko Europa), the associated company Automotive Web Solutions AB (from December 2015), Mekonomen Group Inköp AB (from June 2015), and Group-wide functions and eliminations. M by Mekonomen was discontinued during the third quarter of 2015. The operating loss for "Other" amounted to SEK 38 M (loss: 27) for the quarter and a loss of SEK 138 M (loss: 114) for the full year. Reallocation of acquisition-related items attributable to Mekonomen AB's direct acquisitions was made from the MECA and Sørensen og Balchen segments to "Other." Comparative figures have been recalculated. Current acquisition-related items pertain to amortisation of acquired intangible assets totalling an expense of SEK 19 M (expense: 19) for the quarter and an expense of SEK 77 M (exp: 78) for the full year pertaining to the acquisitions of MECA and Sørensen og Balchen, which have been reversed to EBIT for these segments and reported instead in EBIT for "Other." EBIT for the Group was not impacted by this reallocation.

CHANGES IN GROUP MANAGEMENT

Örjan Grandin, Supply Chain Director for Mekonomen Group, will join the Group Management from 1 March 2016.

EVENTS AFTER THE END OF THE PERIOD

On 16 February 2016 the Board of directors has adopted the following financial goals for Mekonomen Group:

- to develop with good profitability and thereby create value growth for the shareholders
- to achieve annual sales growth of at least 5 per cent, as a combination of organic and acquired growth
- to annually achieve an operating margin in excess of 10 per cent
- the equity/assets ratio shall not in the long term be less than 40 per cent
- net debt / EBITDA shall not in the long term exceed 2,0

A decision was taken to implement changes in the Group Management. As of 1 March 2016, the Group Management comprises the following individuals:

Magnus Johansson, President and CEO of Mekonomen AB
Marcus Larsson, Executive Vice President, Mekonomen AB
Morten Birkeland, Managing Director, Sørensen og Balchen
Örjan Grandin, Supply Chain Director, Mekonomen AB
Per Hedblom, CFO, Mekonomen AB
David Larsson, COO, Mekonomen AB
Pehr Oscarson, Managing Director, MECA

The segment Mekonomen Nordic has ceased as of 1 January 2016. As of the first quarter of 2016 the businesses previously included in Mekonomen Nordic will instead be reported in the new segments Mekonomen Sweden and Mekonomen Norway as well as in Other.

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

ACCOUNTING POLICIES

The Mekonomen Group applies the International Financial Reporting Standards (IFRS) as adopted by the EU. This 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.

New standards or interpretations that became effective on 1 January 2015 have not had any material effect on the Mekonomen Group's financial reporting for this period.

The Parent Company prepares its accounts in accordance with the Annual Accounts Act and RFR 2 and applies the same accounting policies and measurement methods as in the most recent Annual Report.

FORTHCOMING FINANCIAL REPORTING DATES

Information	Period	Date
Interim report	January - March 2016	11 May 2016
Interim report	January - June 2016	26 August 2016
Interim report	January - September 2016	11 November 2016
Year-end report	January - December 2016	15 February 2017

ANNUAL GENERAL MEETING

The 2015 Annual General Meeting will be held on 12 April 2016 in Stockholm. The Annual Report will be published and available on Mekonomen's website not later than 22 March 2016.

SHARE DIVIDEND

The Board of Directors proposes a dividend of SEK 7.00 (7.00). As record date for the dividend, the Board proposes 14 April 2016. If the Annual General Meeting resolves to approve the proposal, the dividend will be paid on 19 April 2016. The final day for trading the company's shares including the right to dividends is 12 April 2016.

NOMINATION COMMITTEE

In accordance with the guidelines established at the Annual General Meeting on 14 April 2015, Mekonomen has established a Nomination Committee. The Nomination Committee shall prepare and submit proposals to the Annual General Meeting on 12 April 2016 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 and fees to be paid to auditors, and guidelines for the appointment of the Nomination Committee.

Prior to the 2016 Annual General Meeting, the Nomination Committee consists of Caroline Berg, representing the Axel Johnson AB Group, Jonathan Mårtensson, representing Handelsbanken Funds, Mats Gustafsson, representing Lannebo Funds, as well as Annika Andersson, representing Swedbank Robur Funds. Caroline Berg has been appointed Chairman of the Nomination Committee. Mekonomen's Chairman of the Board, Kenneth Bengtsson has been co-opted to the Nomination Committee.

Stockholm 17 February 2016
Mekonomen AB (publ), Corp. Reg. No: 556392-1971

Magnus Johansson
President and CEO

This interim report has not been audited.

For further information, please contact:
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The information in this interim report is such that Mekonomen AB (publ) is obligated to publish in accordance with Securities Market Act.

The information was submitted for publication on 17 February 2016 at 7:30 a.m.

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

CONSOLIDATED FINANCIAL REPORTS

CONDENSED CONSOLIDATED INCOME STATEMENT, SEK M	Oct. - Dec. 2015	Oct. - Dec. 2014	Jan. - Dec. 2015	Jan. - Dec. 2014
Continuing operations:				
Net sales	1 415	1 347	5 624	5 262
Other operating revenue	32	26	137	128
Total revenue	1 447	1 373	5 761	5 390
Goods for resale	-648	-592	-2 529	-2 337
Other external costs	-305	-274	-1 167	-1 044
Personnel expenses	-343	-309	-1 282	-1 185
Depreciation and impairment of tangible fixed assets	-13	-14	-57	-61
Operating profit before amortisation and impairment of intangible fixed assets (EBITA)	138	184	726	763
Amortisation and impairment of intangible fixed assets	-28	-39	-110	-124
EBIT	109	145	616	639
Interest income	2	2	6	6
Interest expenses	-8	-9	-33	-41
Other financial items	6	5	5	16
PROFIT AFTER FINANCIAL ITEMS	109	142	594	620
Tax	-32	-40	-164	-153
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS	76	102	430	466
Discontinued operations:				
Profit/loss for the period from discontinued operations ¹⁾	1	-271	0	-340
PROFIT/LOSS FOR THE PERIOD	77	-169	430	127
Net profit/loss for the period attributable to:				
Parent Company's shareholders	78	-168	423	120
Minority owners	-1	-1	8	7
PROFIT/LOSS FOR THE PERIOD	77	-169	430	127
Earnings per share before and after dilution, SEK				
- Earnings from continuing operations	2,14	2,87	11,77	12,80
- Loss from discontinued operations	0,03	-7,55	0,00	-9,46
Profit/loss for the period	2,17	-4,68	11,77	3,34

¹⁾ Gains for discontinued operations totalling SEK 1 M in the fourth quarter of 2015 pertains to tax income. The fourth quarter and full-year of 2014 include non-recurring costs resulting from structural changes in Denmark totalling SEK 280 M in the earnings from discontinued operations. For further information about discontinued operations, see page 17.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, SEK M	Oct. - Dec. 2015	Oct. - Dec. 2014	Jan. - Dec. 2015	Jan. - Dec. 2014
Profit/loss for the period	77	-169	430	127
Other comprehensive income:				
<i>Components that will not be reclassified to earnings for the year:</i>				
- Actuarial gains and losses	2	-7	2	-7
<i>Components that may later be reclassified to earnings for the year:</i>				
- Exchange-rate differences from translation of foreign subsidiaries ¹⁾	-36	-93	-88	-20
- Cash-flow hedges ²⁾	1	1	-1	0
Other comprehensive loss, net after tax	-34	-99	-87	-27
COMPREHENSIVE INCOME/LOSS FOR THE PERIOD	44	-268	343	100
Comprehensive income/loss for the period attributable to:				
Parent Company's shareholders	44	-267	336	93
Minority owners	-1	-1	7	7
COMPREHENSIVE INCOME/LOSS FOR THE PERIOD	44	-268	343	100
Total comprehensive income/loss attributable to Parent Company shareholders derived from:				
Continuing operations	46	12	337	437
Discontinued operations	-1	-279	-1	-344

¹⁾ As at 31 December 2015, the accumulated translation reserve pertaining to Denmark was a negative SEK 17 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 17.

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 2015	31 December 2014	31 December 2013
ASSETS¹⁾			
Intangible fixed assets	2 734	2 813	2 881
Tangible fixed assets	182	201	249
Financial fixed assets	51	65	75
Deferred tax assets ²⁾	55	55	23
Goods for resale	1 226	1 223	1 213
Current receivables	818	769	724
Cash and cash equivalents	295	258	279
TOTAL ASSETS	5 361	5 384	5 444
SHAREHOLDERS' EQUITY AND LIABILITIES¹⁾			
Shareholders' equity	2 155	2 080	2 240
Long-term liabilities, interest-bearing	1 469	1 404	1 660
Deferred tax liabilities	169	168	211
Long-term liabilities, non-interest-bearing	8	3	1
Current liabilities, interest-bearing	461	495	276
Current liabilities, non-interest-bearing	1 099	1 234	1 056
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	5 361	5 384	5 444

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

²⁾ Deferred tax assets of SEK 54 M (53) pertaining to tax deduction for Denmark will not be realised according to plan in 2016 but has been postponed.

CONDENSED CONSOLIDATED CHANGES IN SHAREHOLDERS' EQUITY, SEK M	31 December 2015	31 December 2014	31 December 2013
Shareholders' equity at the beginning of the year	2 080	2 240	2 316
Comprehensive income for the period	343	100	191
Acquisition/divestment of non-controlling interests	-7	2	-8
Dividend to shareholders	-261	-262	-259
SHAREHOLDERS' EQUITY AT THE END OF THE PERIOD	2 155	2 080	2 240
of which, non-controlling interests	12	14	12

CONDENSED CONSOLIDATED CASH-FLOW STATEMENT, SEK M	Oct. - Dec. 2015	Oct. - Dec. 2014	Jan. - Dec. 2015	Jan. - Dec. 2014
Operating activities				
<i>Cash flow from operating activities before changes in working capital, excluding tax paid</i>	160	152	782	711
Tax paid	-2	0	-189	-160
Cash flow from operating activities before changes in working capital	158	152	594	552
Cash flow from changes in working capital:				
Changes in inventory	-9	-1	-19	-59
Changes in receivables	72	80	-11	-62
Changes in liabilities	-26	-53	-124	-17
<i>Increase (-)/decrease (+) restricted working capital</i>	37	27	-154	-138
Cash-flow from operating activities	195	178	439	413
Cash flow from investing activities	-49	-30	-146	-121
Cash flow from financing activities	-95	-67	-245	-309
CASH FLOW FOR THE PERIOD	51	82	48	-17
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	256	197	258	279
Exchange-rate difference in cash and cash equivalents	-12	-21	-11	-4
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	295	258	295	258

Compared with the interim report for January - September 2015, SEK 102 M was reclassified between cash flow from operating activities before changes in working capital and changes in liabilities in the working capital. The reclassification did not have any impact on the total cash flow from operating activities. The reclassification pertains to the discontinued operation in Denmark.

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

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

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

CONSOLIDATED DERIVATIVE INSTRUMENTS MEASURED AT FAIR VALUE IN THE BALANCE SHEET, SEK M	31 December 2015	31 December 2014
FINANCIAL ASSETS		
Derivatives: Currency swaps	-	-
Interest-rate swaps	-	-
TOTAL	-	-
FINANCIAL LIABILITIES		
Derivatives: Currency swaps	-	1
Interest-rate swaps	3	2
TOTAL	3	2

GROUP'S FINANCIAL ASSETS AND LIABILITIES BY MEASUREMENT CATEGORY 31 December 2015							
SEK M	Derivative instruments	Loan and accounts receivable	Other financial liabilities	Total carrying amount	Fair value	Non-financial assets & liabilities	Total Balance sheet summary
FINANCIAL ASSETS							
Financial fixed assets	-	50	-	50	50	2	51
Accounts receivable	-	453	-	453	453	-	453
Other current receivables	-	-	-	-	-	365	365
Cash and cash equivalents	-	295	-	295	295	-	295
TOTAL	-	798	-	798	798	367	1 164
FINANCIAL LIABILITIES							
Long-term liabilities, interest-bearing	3	-	1 466	1 469	1 469	-	1 469
Current liabilities, interest-bearing	-	-	461	461	461	-	461
Accounts payable	-	-	540	540	540	-	540
Other current liabilities	-	-	-	-	-	559	559
TOTAL	3	-	2 467	2 470	2 470	559	3 029

QUARTERLY DATA, CONTINUING OPERATIONS, SEGMENT	FY	2015					2014				
		Q4	Q3	Q2	Q1	FY	Q4	Q3	Q2	Q1	
NET SALES, SEK M¹⁾											
MECA ²⁾	1 871	489	466	473	444	1 679	435	414	419	411	
Mekonomen Nordic	2 817	710	682	761	664	2 692	685	671	700	634	
Sørensen og Balchen	729	159	179	201	191	712	176	176	188	171	
Other ³⁾	208	57	47	55	48	180	50	45	47	39	
GROUP	5 624	1 415	1 374	1 489	1 346	5 262	1 347	1 306	1 354	1 255	
EBITA, SEK M											
MECA ²⁾	258	52	54	80	71	268	72	73	76	47	
Mekonomen Nordic	412	78	119	129	86	422	97	121	108	95	
Sørensen og Balchen	117	26	30	35	25	109	22	29	34	24	
Other ³⁾	-60	-19	-8	-20	-13	-36	-8	-10	-9	-10	
GROUP	726	138	196	224	169	763	184	214	210	156	
EBIT, SEK M											
MECA ^{2) 4)}	245	49	51	77	68	243	57	69	73	44	
Mekonomen Nordic	393	72	115	124	82	401	93	117	104	88	
Sørensen og Balchen ⁴⁾	116	26	30	35	25	109	22	29	34	24	
Other ³⁾	-138	-38	-27	-39	-33	-114	-27	-29	-28	-29	
GROUP	616	109	168	197	142	639	145	186	182	126	
INVESTMENTS, SEK M⁵⁾											
MECA ²⁾	17	5	2	2	8	20	5	6	5	4	
Mekonomen Nordic	80	26	17	19	18	44	20	6	11	7	
Sørensen og Balchen	3	1	0	1	1	4	1	0	1	1	
Other ³⁾	3	1	0	2	0	2	0	1	0	1	
GROUP	103	33	19	24	28	70	27	14	17	13	
EBITA MARGIN, %											
MECA ²⁾	14	11	12	17	16	16	16	18	18	11	
Mekonomen Nordic	14	11	17	16	13	15	14	17	15	14	
Sørensen og Balchen	16	16	16	17	13	15	12	16	18	14	
GROUP	13	10	14	15	12	14	13	16	15	12	
EBIT MARGIN, %											
MECA ^{2) 4)}	13	10	11	16	15	14	13	17	17	11	
Mekonomen Nordic	13	10	16	16	12	14	13	17	14	13	
Sørensen og Balchen ⁴⁾	16	16	16	17	13	15	12	16	18	14	
GROUP	11	8	12	13	10	12	11	14	13	10	

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

²⁾ From 1 January 2015, the store operation in Denmark is presented as a discontinued operation and therefore not included in the MECA segment. Comparative figures have been recalculated. For further information about discontinued operations, see page 17. EBITA for the fourth quarter of 2014 and the full year 2014 have been positively affected by SEK 11 M due to the allocation of costs for IT systems regarding the discontinued Danish operation. Impairment of intangible fixed assets have had a corresponding negative effect and EBIT was therefore neutral.

³⁾ "Other" comprises the Parent Company Mekonomen AB (publ), M by Mekonomen (discontinued in the third quarter of 2015), the purchasing company in Hong Kong, Meko Service Nordic, the joint venture in Poland (InterMeko Europa), the associated company Automotive Web Solutions AB (from December 2015), Mekonomen Group Inköp AB (from June 2015), as well as Group-wide functions and eliminations. Mekonomen AB's operations mainly comprise Group Management and finance management.

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

⁵⁾ Investments do not include company and business combinations.

QUARTERLY DATA																
CONTINUING ACTIVITIES,																
SEK M	FY	2015					2014					2013				
		Q4	Q3	Q2	Q1	FY	Q4	Q3	Q2	Q1	FY	Q4	Q3	Q2	Q1	
Revenue	5 761	1 447	1 405	1 527	1 382	5 390	1 373	1 340	1 387	1 290	5 251	1 318	1 269	1 422	1 245	
EBITA	726	138	196	224	169	763	184	214	210	156	683	146	188	207	142	
EBIT	616	109	168	197	142	639	145	186	182	126	527	75	159	178	115	
Net financial items	-22	0	-15	-9	2	-19	-3	-12	-1	-4	-39	-2	-15	-6	-15	
Profit after net financial items	594	109	154	188	144	620	142	174	181	123	489	73	144	172	99	
Tax	-164	-32	-42	-50	-39	-153	-40	-38	-44	-31	-129	-18	-38	-46	-27	
Profit for the period	430	76	111	138	105	466	102	135	137	92	360	55	106	127	72	
EBITA margin, %	13	10	14	15	12	14	13	16	15	12	13	11	15	15	11	
EBIT margin, %	11	8	12	13	10	12	11	14	13	10	10	6	13	13	9	
Earnings per share, continuing operations, SEK	11,77	2,14	3,01	3,74	2,88	12,80	2,87	3,69	3,74	2,50	9,81	1,57	2,84	3,43	1,97	
Earnings per share, discontinued operations, SEK	0,00	0,03	0,00	-0,02	-0,01	-9,46	-7,55	-0,49	-0,75	-0,67	-1,25	-0,69	-0,18	-0,19	-0,20	
Earnings per share, SEK	11,77	2,17	3,01	3,72	2,87	3,34	-4,68	3,20	2,99	1,83	8,56	0,88	2,67	3,24	1,77	
Shareholders' equity per share, SEK	59,7	59,7	58,4	56,9	61,0	57,5	57,5	65,0	60,9	64,6	62,1	62,1	61,4	60,4	64,0	
Cash flow per share, SEK ¹⁾	12,2	5,4	4,3	3,8	-1,3	11,5	5,0	3,2	5,4	-2,0	15,5	4,8	3,0	7,3	0,4	
Return on equity, % ²⁾	20,0	20,0	20,9	21,9	21,3	20,6	20,6	18,3	17,2	16,6	15,7	15,7	-	-	-	

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. Return on shareholders' equity, quarters 1-3 2013 was not recalculated for continuing operations. For further information about discontinued operations, see page 17.

KEY FIGURES	Oct. - Dec. 2015	Oct. - Dec. 2014	Jan. - Dec. 2015	Jan. - Dec. 2014
Return on equity, % ¹⁾	-	-	20,0	20,6
Return on total capital, % ¹⁾	-	-	11,5	11,9
Return on capital employed, % ¹⁾	-	-	15,2	15,6
Equity/assets ratio, %	-	-	40,2	38,6
Gross margin, continuing operations, %	54,2	56,1	55,0	55,6
EBITA margin, continuing operations, %	9,5	13,4	12,6	14,2
EBIT margin, continuing operations, %	7,5	10,5	10,7	11,9
EBITDA, continuing operations, SEK M	151	198	784	824
EBITDA margin, continuing operations, %	10,4	14,4	13,6	15,3
Earnings per share, continuing operations, SEK	2,14	2,87	11,77	12,80
Earnings per share, discontinued operations, SEK	0,03	-7,55	0,00	-9,46
Earnings per share, SEK	2,17	-4,68	11,77	3,34
Shareholders' equity per share, SEK	-	-	59,7	57,5
Cash flow per share, SEK	5,4	5,0	12,2	11,5
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 17.

NUMBER OF STORES AND WORKSHOPS	MECA ¹⁾		Mekonomen Nordic		Sørensen og Balchen		Other		Group total	
	31 December 2015	2014	31 December 2015	2014	31 December 2015	2014	31 December 2015	2014	31 December 2015	2014
Number of stores										
Proprietary stores	72	72	150	151	35	34	-	1	257	258
Partner stores	13	15	37	41	35	37	-	-	85	93
Total	85	87	187	192	70	71	-	1	342	351
Number of workshops¹⁾										
Mekonomen Service Centres	102	195	803	863	-	-	18	17	923	1 075
MekoPartner	39	153	222	202	-	-	-	-	261	355
Speedy	-	-	-	-	-	-	20	14	20	14
BiiXtra	-	-	-	-	246	232	-	-	246	232
MECA Car Service	676	628	-	-	-	-	-	-	676	628
Total	817	976	1 025	1 065	246	232	38	31	2 126	2 304

¹⁾ From 1 January 2015, the store operation in Denmark is presented as a discontinued operation and the stores are no longer part of the MECA segment. Comparative figures have been recalculated. With respect to workshops, they will remain affiliated to the Mekonomen Group concept. MECA sells directly to these workshops in Denmark. For further information about discontinued operations, see page 17.

AVERAGE NUMBER OF EMPLOYEES, CONTINUING OPERATIONS	Jan. - Dec. 2015	Jan. - Dec. 2014
MECA ¹⁾	699	614
Mekonomen Nordic	1 099	1 089
Sørensen og Balchen	273	252
Other ²⁾	219	176
Total	2 290	2 131

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

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

DISCONTINUED OPERATIONS

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

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

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

As at 31 December 2015, the accumulated translation reserve pertaining to Denmark was a negative SEK 17 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. The liquidation, which was previously scheduled for 2016 will be postponed.

Below is separate financial information pertaining to discontinued operation in Denmark.

PROFIT/LOSS FOR THE PERIOD AND OTHER COMPREHENSIVE INCOME FROM DISCONTINUED OPERATIONS, SEK M	Oct. - Dec. 2015	Oct. - Dec. 2014	Jan. - Dec. 2015	Jan. - Dec. 2014
Revenue	0	108	36	534
Expenses	0	-412	-36	-904
Profit/Loss from discontinued operations - before tax	0	-304	0	-370
Tax	1	33	0	31
Profit/Loss from discontinued operations - after tax	1	-271	0	-340
Other comprehensive income:				
Exchange-rate differences on translation of foreign subsidiaries	-2	-8	-1	-5
Comprehensive income/loss from discontinued operations	-1	-279	-1	-344

SUMMARY OF CASH FLOW FROM DISCONTINUED OPERATIONS, SEK M	Oct. - Dec. 2015	Oct. - Dec. 2014	Jan. - Dec. 2015	Jan. - Dec. 2014
Cash flow from operating activities	13	-25	-134	-115
Cash flow from investing activities	2	0	29	-1
Cash flow from financing activities	0	0	0	0
Cash flow from discontinued operations	15	-25	-105	-116

FINANCIAL REPORTS, PARENT COMPANY

SUMMARY OF INCOME STATEMENT FOR THE PARENT COMPANY, SEK M	Oct. - Dec. 2015	Oct. - Dec. 2014	Jan. - Dec. 2015	Jan. - Dec. 2014
Operating revenue	59	64	78	95
Operating expenses	-75	-70	-130	-124
EBIT	-17	-6	-52	-29
Net financial items ¹⁾	39	-485	456	394
PROFIT/LOSS AFTER FINANCIAL ITEMS	23	-491	404	365
Appropriations	226	396	226	396
Tax	-45	-33	-37	-27
PROFIT FOR THE PERIOD	203	-128	592	734

¹⁾ Net financial items include dividend on participations in subsidiaries totalling SEK 68 M (0) for the quarter and SEK 489 M (888) for the full year, and impairment of participations in subsidiaries totalling SEK 35 M (486) for the quarter and the full year. Impairment of shares in subsidiaries totalling SEK 26 M (486) pertains to the store operations in Denmark for the quarter and the full year.

STATEMENT OF COMPREHENSIVE INCOME FOR THE PARENT COMPANY, SEK M	Oct. - Dec. 2015	Oct. - Dec. 2014	Jan. - Dec. 2015	Jan. - Dec. 2014
Profit/loss for the period	203	-128	592	734
Other comprehensive income:				
<i>Components that may later be reclassified to earnings for the year:</i>				
- Exchange-rate difference, net investments in foreign operations	-2	1	-3	3
Other comprehensive income/loss, net after tax	-2	1	-3	3
COMPREHENSIVE INCOME/LOSS FOR THE PERIOD	201	-127	589	737

CONDENSED BALANCE SHEET FOR THE PARENT COMPANY SEK M	31 December 2015	31 December 2014
ASSETS		
Fixed assets	3 147	3 140
Current receivables in Group companies	1 583	1 207
Other current receivables	67	28
Cash and cash equivalents	210	162
TOTAL ASSETS	5 007	4 537
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity	2 775	2 437
Untaxed reserves	175	114
Provisions	2	0
Long-term liabilities	1 460	1 396
Current liabilities in Group companies	117	67
Other current liabilities	478	523
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	5 007	4 537

SUMMARY OF CHANGES IN EQUITY FOR THE PARENT COMPANY, SEK M	31 December 2015	31 December 2014
Shareholders' equity at the beginning of the year	2 437	1 951
Comprehensive income for the period	589	737
Dividend to shareholders	-251	-251
SHAREHOLDERS' EQUITY AT THE END OF THE PERIOD	2 775	2 437

FINANCIAL DEFINITIONS

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

COMPANY-SPECIFIC TERMINOLOGY AND DEFINITIONS

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

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