

# Q3 2020

---

Interim report  
July 1st - September 30th





Interim report Q3

# **I.A. HEDIN BIL AB**

556065-4070

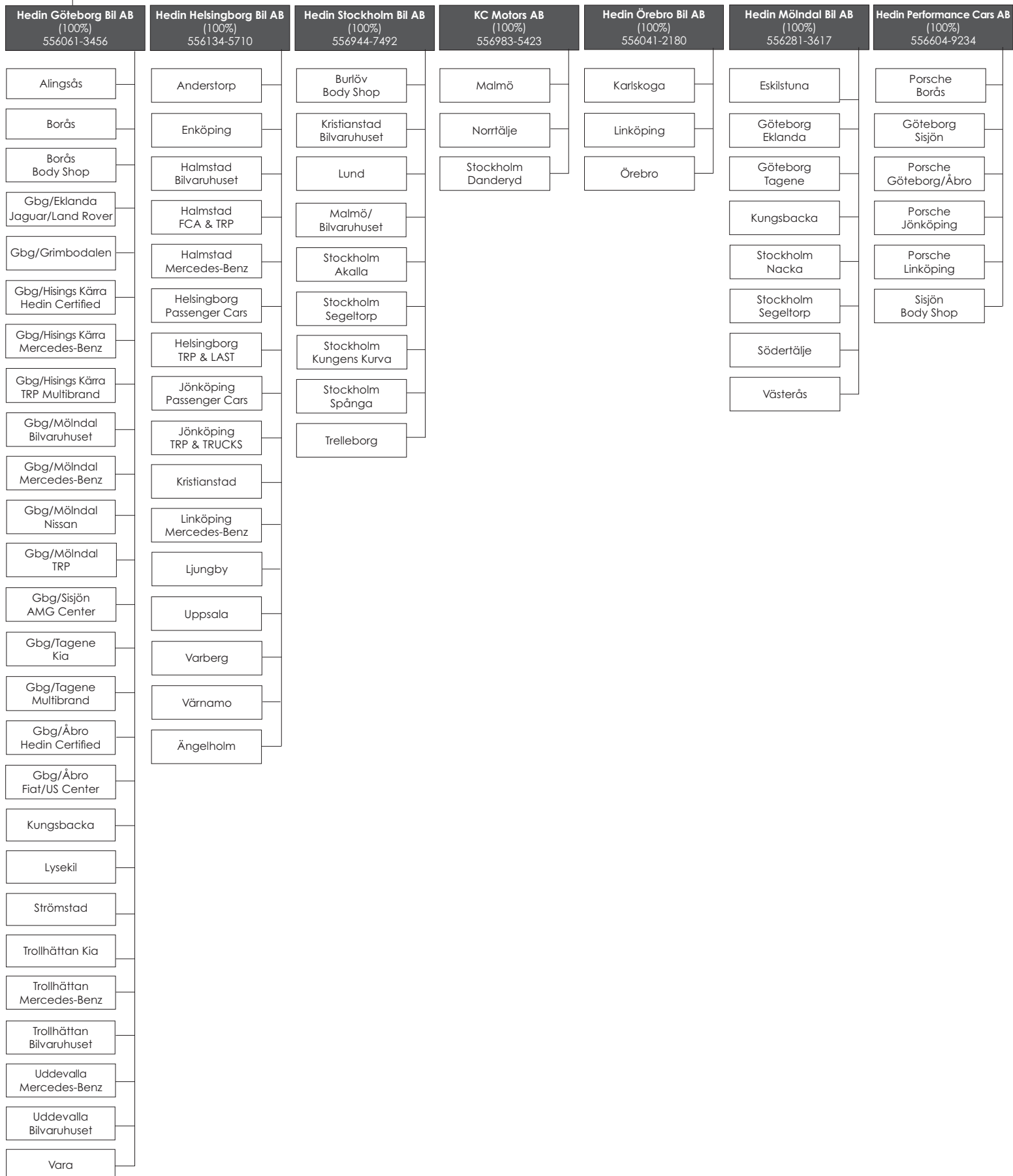
**JULY 1ST - SEPTEMBER 30TH**

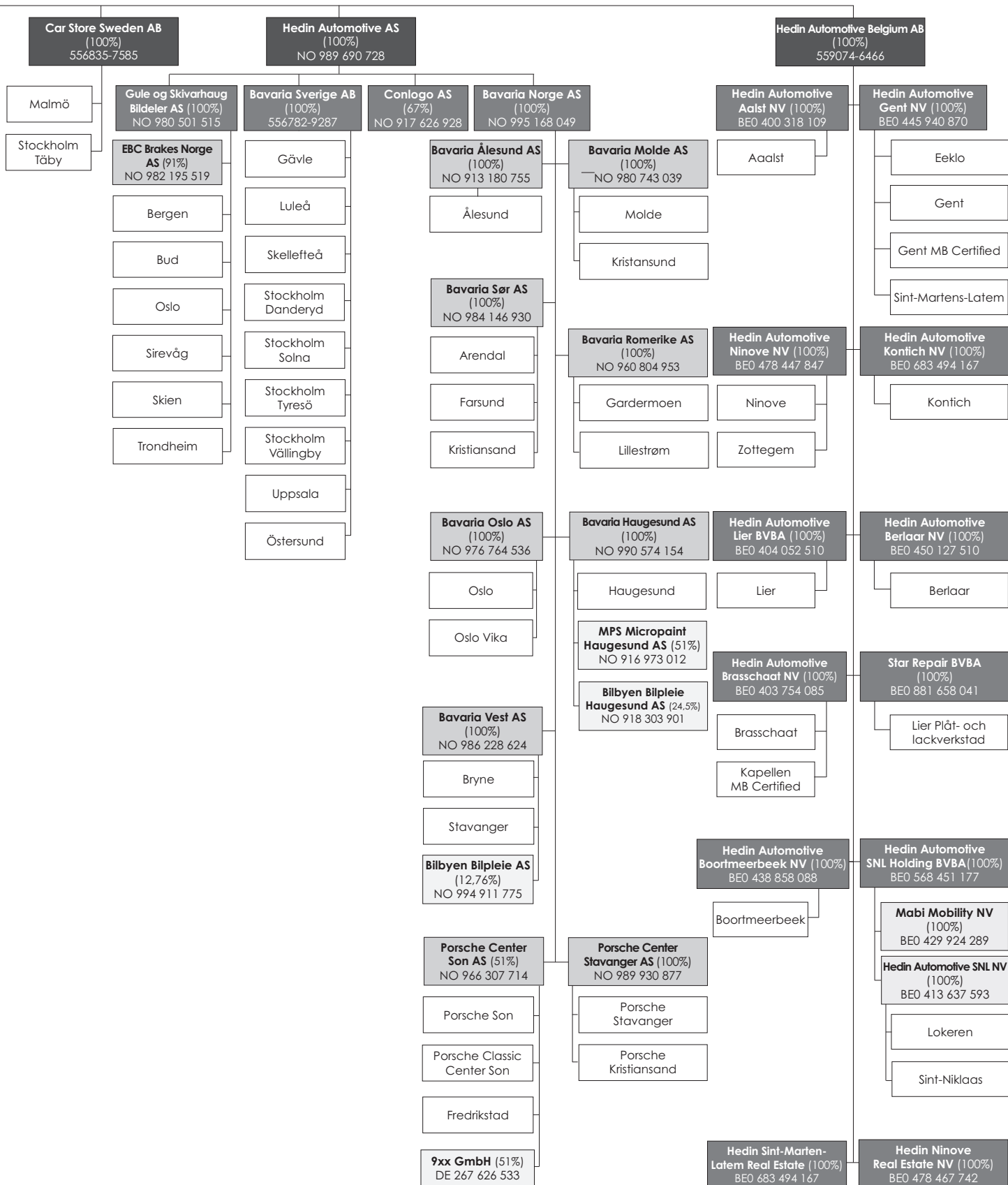
## Content

Company structure .....	4
Third quarter highlights .....	6
CEO comment .....	7
Financial summary .....	8
Financial figures .....	10

**HEDIN GROUP AB**  
556702-0655

**I.A. Hedin Bil AB**  
(91%)  
556065-4070





## Third quarter 2020

- On September 1, a new dealership including customer- VR experience was opened in Solna United.
- Net sales increased by 24 percent to MSEK 6,516 (MSEK 5,262).
- Operational earnings increased by 131 percent to MSEK 258 (MSEK 121).
- Operating profit increased by MSEK 136 to MSEK 240 (MSEK 104).
- Profit before tax increased to MSEK 176 (MSEK 45).

## Nine months 2020

- Net sales increased by 8 percent to MSEK 17,702 (MSEK 16,383).
- Operational earnings increased by 88 percent to MSEK 515 (MSEK 273).
- Operating profit increased by MSEK 231 to MSEK 458 (MSEK 226).
- Profit before tax increased to MSEK 273 (MSEK 62).
- On January 13, FordStore in Västerås was opened.
- On January 20, a new dealership for Kia was opened in Trollhättan, a Red Cube facility.

## Events after third quarter 2020

- On October 8, a new dealership for Nissan and Kia was opened in Alingsås. In the present facility, the sales of Mercedes-Benz will continue as a single-brand.
- On October 15, Bavaria Sverige inaugurated a new dealership for BMW in Kista.
- Uncertainty remains regarding the development of Covid-19 and the future impact on the operations. We continuously monitor the development and consider ourselves to be well prepared for different scenarios.

Key Figures	3rd quarter		1 January - 30 September		Year 2019
	2020	2019	2020	2019	
Amounts in kSEK					
Net Sales	6,515,983	5,262,472	17,701,809	16,382,594	22,301,382
Operational earnings	258,412	121,301	515,458	273,494	427,679
Margin %	4.0	2.3	2.9	1.7	1.9
Operating profit	239,543	103,689	457,815	226,464	360,207
Operating margin %	3.7	2.0	2.6	1.4	1.6
Profit/loss before tax	175,943	45,311	273,415	61,927	147,954
Equity ratio %			11	10	9
Equity ratio %, excluding IFRS 16			17	15	13
Average number of employees			2,801	2,592	2,733

### Definitions

Equity ratio: Equity including subordinated shareholder loans in relation to total assets

Operational earnings: See note 2

## CEO comment

### **Hedin Bil delivers a strong third quarter with focus on profitability and liquidity**

- Increased profitability in both car sales and the after market business
- Increased customer deliveries compared to the second quarter 2020
- Strong cash flow and liquidity

### **Results for the third quarter**

Operating profit during the third quarter was 240 MSEK, which was an improvement of 131 percent compared to last year's third quarter. Net sales in comparable units increased by 21 percent compared to the same period last year. The operations in Sweden and Norway improved both operating profit and operating margin. The Belgian operations returned to show a profit after second quarter's loss.

New car sales increased by 2 percent in comparable units and the gross margin improved also. Sales of used cars increased by 18 percent and gross margins recovered after the second quarter Covid impact. In total, car sales contributed with increased profits and increased margins compared to the third quarter last year. The after market business also performed stronger than last year with higher profits and margins.

### **Market development**

The market development was strong during the third quarter, showing a healthy demand while there were delays in the supply of vehicles due to the close downs in production in the second quarter.

New passenger car registrations in Sweden decreased by 4 percent compared to the third quarter of 2019. Corresponding figures for the Norwegian market was an increase of 12 percent and a decrease of 9 percent in Belgium. The market for used cars, as well as the after market, has continued to develop favourably.

### **Savings program due to Covid-19**

The savings program that was launched in the second quarter rapidly adjusted the operations to the changed demand in the market. Since then, the market has gradually recovered and we are following the development closely to make sure that we have the right resources in the right place. There has been limited government financial support received. In all our markets we are continuing to follow the guidelines introduced by local governments to limit the spread of the virus and to protect our personnel and our customers.

There is a lot of effort behind the strong result delivered under challenging circumstances, for which I am both proud and grateful. We continue to focus on both profits and liquidity to be able to keep our long-term focus.



*Anders Hedin*

# Financial summery

## JULY - SEPTEMBER 2020

**Net sales** increased in the third quarter by 24 percent to MSEK 6,516 (MSEK 5,262). Sales of Mercedes-Benz passenger cars has changed into an agent model, meaning that invoicing to end customers are made directly from the importer. Only the sales commission is reported in the net sales of the group. During 2019 several dealerships were acquired in Belgium and Norway which increases net sales. Net sales adjusted for these changes has increased by 21 percent for comparable businesses.

**Operating profit** increased by MSEK 136 to MSEK 240 (MSEK 104). Operating margin increased to 3.7 percent (2.0 percent). During spring, several cost-saving actions have been taken to minimize the economic effects of Covid-19. This includes stopping purchases, travel, consultants, recruitment and reducing marketing. Due to this, together with the actions that were taken last year, the external costs and employee benefit expenses have been reduced to 10.3 percent of the net sales (13.5 percent).

The margin of operational earnings in vehicles sales amounted to 2.7 percent (1.3 percent). The sales of new cars in comparable business increased by 2 percent during the quarter, while sales of used cars increased by 18 percent. Gross margin in used vehicles increased after a small drop in the second quarter.

The margin of operational earnings in after sales was 8.9 percent (4.9 percent). Earnings have improved through efficiency improvements and cost reductions.

Net sales	Third quarter		1 January - 30 September		Year
	2020	2019	2020	2019	2019
Sweden	3,837,656	3,511,866	11,030,073	11,720,128	14,918,113
Norway	1,271,386	904,407	3,222,306	2,315,302	3,968,623
Belgium	1,129,396	751,347	2,718,519	2,131,417	3,070,758
Segment reconciliation	277,545	94,852	730,911	215,747	343,888
<b>Total</b>	<b>6,515,983</b>	<b>5,262,472</b>	<b>17,701,809</b>	<b>16,382,594</b>	<b>22,301,382</b>

Operational earnings	Third quarter		1 January - 30 September		Year
	2020	2019	2020	2019	2019
Sweden	139,545	99,988	257,072	160,622	241,209
Norway	83,073	10,010	198,588	54,589	109,089
Belgium	24,581	912	25,864	31,091	39,111
Segment reconciliation	11,213	10,391	33,934	27,192	38,270
<b>Total</b>	<b>258,412</b>	<b>121,301</b>	<b>515,458</b>	<b>273,494</b>	<b>427,679</b>

Margin	Third quarter		1 January - 30 September		Year
	2020	2019	2020	2019	2019
Sweden	3,6%	2,8%	2,3%	1,4%	1,6%
Norway	6,5%	1,1%	6,2%	2,4%	2,7%
Belgium	2,2%	0,1%	1,0%	1,5%	1,3%
<b>Total</b>	<b>4,0%</b>	<b>2,3%</b>	<b>2,9%</b>	<b>1,7%</b>	<b>1,9%</b>

The operational earnings in Sweden increased by MSEK 40 in the third quarter compared to last year. The sale of new vehicles is lower than last year, even if the sale in some business areas like Bavaria (BMW) and Hedin Performance Cars (Porsche) are increasing. The sale of used vehicles continues to be strong and are increasing compared to last year. The profitability improves both in vehicle sales and after market by efficiency improvements. Operating earnings in Norway increased by MSEK 73 compared to last year through higher sales of both new and used vehicles. Efficiency improvements in after sales have also contributed to the increased profit. In Belgium the business was closed part of the spring due to Covid-19. Since then, the sales have increased and the operational earnings has improved by MSEK 24 compared to the same quarter last year.



**Financial net** amounted to MSEK -64 (MSEK -58), which was effected by exchange rate differences of MSEK -4 (-1). The remaining increase is due to higher variable interest rates.

**Cash flow** from operating activities amounted to MSEK 465 (MSEK 405). Investments in intangible and tangible fixed assets, excluding leasing vehicles and right-of-use assets, amounted to MSEK 35 (MSEK 36). Available cash including unused overdraft facility amounted to MSEK 1,134 as of September 30.

## JANUARY – SEPTEMBER 2020

**Net sales** increased 8 percent to MSEK 17,702 (MSEK 16,383). Net sales adjusted for acquired businesses and other changes increased by 6 percent for comparable businesses.

**Operating profit** increased by MSEK 231 to MSEK 458 (MSEK 226). Operating margin increased to 2.6 percent (1.4 percent). From the beginning of March, several cost-saving actions have been taken to minimize the economic effects of Covid-19, which together with previous actions have improved the result.

The margin in operational earnings in vehicles sales amounted to 1.7 percent (0.9 percent). The sales of the new cars in comparable business decreased by 6 percent. Sales of used cars increased by 8 percent. Sales of used cars in Sweden within Hedin Certified has continued to develop positively and has increased by 13 percent. Gross margin increased in new vehicles, while margin in used vehicles decreased slightly compared to same period last year.

The margin in operational earnings in after sales was 7.1 percent (3.9 percent). Earnings have improved through efficiency improvements and cost reductions.

The operational earnings in Sweden increased by MSEK 96 compared to last year. A lower volume in sale of new cars, are offset by increased sales volume and profitability in used cars. Increased sales in the Porsche business have also contributed to the increased profit. The profitability in after sales has improved by efficiency improvements. The operational earnings in Norway increased by MSEK 144 compared to last year through higher vehicle sales in the new car business and increased margins. Efficiency improvements in after sales have also contributed to the increased profit. In Belgium the business has recovered after the lock-down due to Covid-19 during spring, but still lower profit for the nine months compared to last year.

**Financial net** amounted to MSEK -184 (-165), an increase of MSEK 19, whereof MSEK 10 is attributable to exchange rate differences and MSEK 9 to an increase of right-to-use assets according to IFRS16. The remaining increase is due to increased financing and higher variable interest rates.

**Cash flow** from operating activities was MSEK 1,645 (MSEK 1,151). Inventory decreased during the period, which reduced the utilized overdraft facilities. Investments in intangible and tangible fixed assets, excluding leasing vehicles and right-of-use assets, amounted to MSEK 99 (MSEK 115). Available cash including unused overdraft facility amounted to MSEK 1,134 as of September 30.

Sold vehicles	3rd quarter		1 January - 30 September		Year
	2020	2019	2020	2019	2019
New cars	9,495	9,341	28,187	29,652	39,547
New light commercial vehicles	1,366	1,574	4,424	4,877	7,134
New heavy trucks	67	65	184	295	371
Used cars	8,256	7,301	23,743	22,253	29,047
Used light commercial vehicles	620	511	1,874	1,548	2,135
Used heavy trucks	36	46	109	158	189
<b>Total</b>	<b>19,840</b>	<b>18,838</b>	<b>58,521</b>	<b>58,783</b>	<b>78,423</b>

## I.A. Hedin Bil AB

## Consolidated Statement of income and other comprehensive income

Amounts in kSEK	3rd quarter		1 January - 30 September		Year
	2020	2019	2020	2019	2019
<b>Operating income</b>					
Net Sales	6,515,983	5,262,472	17,701,809	16,382,594	22,301,382
Other operating income	9,773	6,339	22,824	15,079	25,847
	6,525,756	5,268,811	17,724,633	16,397,673	22,327,229
<b>Operating expenses</b>					
Goods for resale	-5,331,214	-4,158,744	-14,219,940	-13,122,782	-17,719,997
Other external costs	-226,719	-254,180	-729,389	-750,948	-1,028,048
Employee benefit expenses	-445,426	-456,052	-1,424,048	-1,438,620	-2,022,859
Depreciation and amortization of tangible and intangible fixed assets	-282,854	-296,146	-893,441	-858,859	-1,196,118
<b>Operating profit</b>	<b>239,543</b>	<b>103,689</b>	<b>457,815</b>	<b>226,464</b>	<b>360,207</b>
<b>Profit/loss from financial items</b>					
Financial income	4,835	6,391	11,048	23,028	25,055
Financial expenses	-68,435	-64,769	-195,448	-187,565	-237,308
<b>Profit/loss before tax</b>	<b>175,943</b>	<b>45,311</b>	<b>273,415</b>	<b>61,927</b>	<b>147,954</b>
Taxes	-43,298	-5,083	-67,403	-8,657	-44,646
<b>Net profit/loss for the period</b>	<b>132,645</b>	<b>40,228</b>	<b>206,012</b>	<b>53,270</b>	<b>103,308</b>
<b>Net profit/loss for the year attributable to:</b>					
Parent company's shareholders Holdings	124,108	39,206	188,061	51,069	100,322
with non-controlling interests	8,537	1,022	17,951	2,201	2,986
<b>Net profit/loss for the period</b>	<b>132,645</b>	<b>40,228</b>	<b>206,012</b>	<b>53,270</b>	<b>103,308</b>
<b>Other comprehensive income</b>					
<i>Items that will not be reclassified to profit or loss</i>					
Remeasurements of pensions obligations, net after taxes	0	0	0	0	-4,768
<i>Items that may be reclassified to profit or loss</i>					
Translation differences	-4,564	-5,265	-99,678	72,074	35,969
<b>Total comprehensive income for the period</b>	<b>128,081</b>	<b>34,963</b>	<b>106,334</b>	<b>125,344</b>	<b>134,509</b>
<b>Comprehensive income for the period attributable to:</b>					
Parent company's shareholders	119,589	34,065	89,907	122,297	131,043
Holdings with non-controlling interests	8,492	898	16,427	3,047	3,466
<b>Comprehensive income for the period</b>	<b>128,081</b>	<b>34,963</b>	<b>106,334</b>	<b>125,344</b>	<b>134,509</b>

**I.A. Hedin Bil AB****Consolidated Balance sheet**

<i>Amounts in kSEK</i>	<i>9/30/2020</i>	<i>9/30/2019</i>	<i>12/31/2019</i>
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Intangible assets</b>			
Intangible rights	18,252	21,126	16,936
Customer relations	362,194	470,380	439,278
Goodwill	1,346,044	1,447,186	1,420,861
	1,726,490	1,938,692	1,877,075
<b>Tangible assets</b>			
Land and buildings	270,054	284,119	273,209
Cost incurred on another's property	225,068	207,886	224,036
Equipment, tools and installations	236,947	244,699	248,473
Leasing vehicles	2,056,194	1,617,613	2,004,533
Right-of-use assets	4,535,328	4,633,167	4,812,725
	7,323,591	6,987,484	7,562,976
<b>Financial assets</b>			
Other securities held as non-current assets	9,817	13,984	2,275
Deferred tax assets	68,622	57,858	61,911
Other long-term receivables	6,619	0	6,563
	85,058	71,842	70,749
<b>Total fixed assets</b>	<b>9,135,139</b>	<b>8,998,018</b>	<b>9,510,800</b>
<b>Current assets</b>			
<b>Inventories etc.</b>			
Finished products and goods for resale	2,346,332	2,996,600	3,089,271
	2,346,332	2,996,600	3,089,271
<b>Current receivables</b>			
Accounts receivables	667,830	805,338	970,145
Receivables from Group companies	28,589	9,212	12,188
Tax assets	0	11,780	0
Other receivables	219,754	163,261	256,794
Prepaid expenses and accrued income	264,632	94,918	326,427
	1,180,805	1,084,509	1,565,554
<b>Cash and cash equivalents</b>	64,913	162,524	157,329
<b>Total current assets</b>	<b>3,592,050</b>	<b>4,243,633</b>	<b>4,812,154</b>
<b>TOTAL ASSETS</b>	<b>12,727,189</b>	<b>13,241,651</b>	<b>14,322,954</b>

**Consolidated Balance sheet**

<i>Amounts in kSEK</i>	<i>9/30/2020</i>	<i>9/30/2019</i>	<i>12/31/2019</i>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital, 1,000 shares	1,000	1,000	1,000
Reserves	-74,163	59,730	23,991
Balanced earnings, including profit for the period	1,071,673	840,515	885,000
<b>Equity attributable to the parent company shareholders</b>	<b>998,510</b>	<b>901,245</b>	<b>909,991</b>
Holdings with non-controlling interests	36,269	20,239	21,037
<b>Total Equity</b>	<b>1,034,779</b>	<b>921,484</b>	<b>931,028</b>
<b>Non-current liabilities</b>			
Provisions for pensions	89,778	87,742	89,983
Deferred tax liability	141,909	168,950	159,765
Liabilities to Group companies	350,000	350,000	350,000
Bond loans	1,495,200	1,492,800	1,493,400
Other liabilities to credit institutions	161,353	173,921	184,655
Lease liability	4,070,911	4,168,901	4,332,659
Other non-current liabilities	1,365,562	1,045,191	1,266,401
<b>Total non-current liabilities</b>	<b>7,674,713</b>	<b>7,487,505</b>	<b>7,876,863</b>
<b>Current liabilities</b>			
Overdraft facility	156,141	1,035,001	1,023,408
Liabilities to credit institutions	326,621	412,069	407,331
Lease liability	491,476	487,455	500,978
Accounts payable	1,289,959	1,381,479	1,713,413
Liabilities to Group companies	212,709	204,373	270,556
Tax liabilities	60,330	0	19,409
Other liabilities	916,663	805,373	994,457
Accrued expenses and deferred income	563,798	506,912	585,511
<b>Total current liabilities</b>	<b>4,017,697</b>	<b>4,832,662</b>	<b>5,515,063</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>12,727,189</b>	<b>13,241,651</b>	<b>14,322,954</b>

**Group report on changes in equity capital - summary**

<i>Amounts in kSEK</i>	<i>Equity</i>	<i>Holdings with non- controlling interests</i>	<i>Total Equity</i>
Opening balance 1/1/2019	778,948	16,620	795,568
Profit/loss of the period	51,069	2,201	53,270
Comprehensive income for the period	71,228	846	72,074
Changes in non-controlling interests	0	3,112	3,112
Dividends to minority shareholders	0	-2,540	-2,540
Closing balance 9/30/2019	901,245	20,239	921,484
Opening balance 1/1/2020	909,991	21,037	931,028
Profit/loss of the period	188,061	17,951	206,012
Comprehensive income for the period	-98,154	-1,524	-99,678
Changes in non-controlling interests	-1,388	-847	-2,235
Dividends to minority shareholders	0	-348	-348
Closing balance 9/30/2020	998,510	36,269	1,034,779

**Consolidated Cash flow statements**

<i>Amounts in kSEK</i>	<i>3rd quarter</i>		<i>1 January - 30 September</i>		<i>Year</i>
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>	
<b>Operating activities</b>					
Profit after financial items	175,943	45,311	273,415	61,927	147,954
Adjustments for non-cash items	284,070	296,931	895,800	860,656	1,201,237
Income tax paid	-16,403	5,665	-46,673	-45,588	-59,188
<b>Cash flow from operating activities before changes in working capital</b>	<b>443,610</b>	<b>347,907</b>	<b>1,122,542</b>	<b>876,995</b>	<b>1,290,003</b>
<i>Cash flow from changes in working capital</i>					
Increase(-)/Decrease(+) in inventories	91,114	-254,174	665,279	-30,528	-143,225
Increase(-)/Decrease(+) in receivables	-82,807	-55,542	357,615	297,466	-213,591
Increase(+)/Decrease(-) in payables	12,780	367,338	-500,789	6,902	574,842
<b>Cash flow from operating activities</b>	<b>464,697</b>	<b>405,529</b>	<b>1,644,647</b>	<b>1,150,835</b>	<b>1,508,029</b>
<b>Investing activities</b>					
Acquisition of subsidiaries	0	-303,698	-2,235	-305,615	-305,615
Acquisition of intangible and tangible fixed assets	-35,015	-36,147	-99,009	-115,464	-186,117
Sale of tangible assets	4,268	0	10,457	0	7,278
Purchase of leasing vehicles	-282,836	-422,916	-896,586	-1,087,364	-1,608,117
Sale of leasing vehicles	163,160	209,331	470,444	495,048	615,053
Changes in financial assets	65	-4,600	-7,602	249	2,562
<b>Cash flow from investing activities</b>	<b>-150,358</b>	<b>-558,030</b>	<b>-524,531</b>	<b>-1,013,146</b>	<b>-1,474,956</b>
<b>Financing activities</b>					
Borrowings	8,943	242,696	117,973	363,118	616,491
Repayment of debt	-250,231	108,695	-938,446	-75,888	-86,627
Repayment of lease liability	-127,552	-126,120	-389,976	-366,687	-507,223
<b>Cash flow from financing activities</b>	<b>-368,840</b>	<b>225,271</b>	<b>-1,210,449</b>	<b>-79,457</b>	<b>22,641</b>
<b>Cash flow for the year</b>	<b>-54,501</b>	<b>72,770</b>	<b>-90,333</b>	<b>58,232</b>	<b>55,714</b>
Cash and cash equivalents at the beginning of the year	118,959	88,672	157,329	99,724	99,724
Exchange rate differences in cash	455	1,082	-2,083	4,568	1,891
<b>Cash and cash equivalents at the end of period</b>	<b>64,913</b>	<b>162,524</b>	<b>64,913</b>	<b>162,524</b>	<b>157,329</b>

## Note 1 Reporting standards

The Interim report for the group has been prepared according to IAS 34 Interim Financial Reporting. The same accounting policies and calculation methods have been applied as in the most recent annual report.

## Note 2 Operating segments

The operating segments have been changed, to a segmentation according to geographical markets instead of brands. This gives an improved true and fair view and reflects the internal reporting to the management. The markets are Sweden, Norway and Belgium. All markets include both vehicle sales and after-market.

Vehicle sales cover the sale of new and pre-owned passenger cars, commercial vehicles and trucks, including commission income from financing and insurance. After-market covers service, workshop services and workshop products and spare parts.

The effects of IFRS 16 are reported under "Segment reconciliation".

Operational earnings are defined as operating profit excluding one-time costs and amortization in surplus values.

### Operating segments

	Sweden		Norway		Belgium		Segment reconciliation		Group	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
<b>Net sales</b>	<b>11,030,073</b>	<b>11,720,128</b>	<b>3,222,306</b>	<b>2,315,302</b>	<b>2,718,519</b>	<b>2,131,417</b>	<b>730,911</b>	<b>215,747</b>	<b>17,701,809</b>	<b>16,382,594</b>
EBITDA	642,039	529,962	223,652	91,327	50,736	46,099	434,829	417,935	1,351,256	1,085,323
Depreciation	-384,967	-369,340	-25,064	-36,738	-24,872	-15,008	-400,895	-390,743	-835,798	-811,829
Operational earnings	257,072	160,622	198,588	54,589	25,864	31,091	33,934	27,192	515,458	273,494
Margin	2.3%	1.4%	6.2%	2.4%	1.0%	1.5%	0.0%	0.0%	2.9%	1.7%
Amortization of surplus values	-12,924	-14,116	-18,024	-17,253	-26,695	-15,661			-57,643	-47,030
Operating profit	244,148	146,506	180,564	37,336	-831	15,430	33,934	27,192	457,815	226,464
Operating margin	2.2%	1.3%	5.6%	1.6%	0.0%	0.7%	0.0%	0.0%	2.6%	1.4%
Financial items									-184,400	-164,537
<b>Profit before tax</b>									<b>273,415</b>	<b>61,927</b>
Tax expense									-67,403	-8,657
<b>Profit of the period</b>									<b>206,012</b>	<b>53,270</b>
Investments in										
- fixed assets	41,527	80,979	42,669	19,432	14,813	14,616	0	437	99,009	115,464
- Leasing vehicles	869,835	1,042,245	26,751	45,119	0	0	0	0	896,586	1,087,364

### Operating segments

	Vehicle sales		After market		Segment reconciliation		Group	
	2020	2019	2020	2019	2020	2019	2020	2019
<b>Netsales</b>	<b>15,609,264</b>	<b>14,926,884</b>	<b>3,143,325</b>	<b>2,966,373</b>	<b>-1,050,780</b>	<b>-1,510,663</b>	<b>17,701,809</b>	<b>16,382,594</b>
EBITDA	640,977	501,263	282,161	168,962	428,118	415,098	1,351,256	1,085,323
Depreciation	-380,711	-368,595	-57,958	-54,393	-399,357	-388,841	-838,026	-811,829
Operational earnings	260,266	132,668	224,203	114,569	28,761	26,257	513,230	273,494
Margin	1.7%	0.9%	7.1%	3.9%			2.9%	1.7%
Amortization of surplus values	-27,708	-23,515	-27,707	-23,515			-55,415	-47,030
Operating profit	232,558	109,153	196,496	91,054	28,761	26,257	457,815	226,464
Operating margin	1.5%	0.7%	6.3%	3.1%			2.6%	1.4%
Financial items							-184,400	-164,537
<b>Profit before tax</b>							<b>273,415</b>	<b>61,927</b>
Tax expense							-67,403	-8,657
<b>Profit of the period</b>							<b>206,012</b>	<b>53,270</b>
Investments in								
- fixed assets	35,722	36,883	63,287	78,581			99,009	115,464
- Leasing vehicles	896,586	1,087,364					896,586	1,087,364

### Income statement - Parent company

Amounts in kSEK	3rd quarter		1 January - 30 September		Year 2019
	2020	2019	2020	2019	
<b>Operating income</b>					
Net Sales	28,783	30,334	100,253	90,259	119,631
	28,783	30,334	100,253	90,259	119,631
<b>Operating expenses</b>					
Other external costs	-10,198	-15,137	-43,229	-49,133	-62,545
Employee benefit expenses	-14,842	-14,813	-51,284	-55,494	-72,123
Depreciation and amortization of tangible and intangible fixed assets	-371	-586	-1,301	-1,783	-2,353
<b>Operating profit/loss</b>	<b>3,372</b>	<b>-202</b>	<b>4,439</b>	<b>-16,151</b>	<b>-17,390</b>
<b>Profit/loss from financial items</b>					
Interest income and similar income items	7,069	19,091	27,447	53,728	62,315
Interest expenses and similar income items	-17,166	-21,898	-57,303	-63,677	-81,643
<b>Profit/loss after financial items</b>	<b>-6,725</b>	<b>-3,009</b>	<b>-25,417</b>	<b>-26,100</b>	<b>-36,718</b>
Appropriations	0	0	0	0	117,348
<b>Profit/loss before tax</b>	<b>-6,725</b>	<b>-3,009</b>	<b>-25,417</b>	<b>-26,100</b>	<b>80,630</b>
Income tax	1,514	1,828	5,439	5,585	-17,333
<b>Net profit/loss for the period</b>	<b>-5,211</b>	<b>-1,181</b>	<b>-19,978</b>	<b>-20,515</b>	<b>63,297</b>

**Balance sheet - Parent company**

<i>Amounts in kSEK</i>	9/30/2020	9/30/2019	12/31/2019
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Tangible assets</b>			
Cost incurred on another's property	1,161	1,463	1,387
Equipment, tools and installations	2,544	4,093	3,619
	3,705	5,556	5,006
<b>Financial assets</b>			
Shares in Group companies	1,479,940	1,429,890	1,479,890
Deferred tax assets	44	0	44
	1,479,984	1,429,890	1,479,934
<b>Total fixed assets</b>	<b>1,483,689</b>	<b>1,435,446</b>	<b>1,484,940</b>
<b>Current assets</b>			
<b>Current receivables</b>			
Receivables from Group companies	1,450,840	1,994,086	2,240,882
Tax assets	12,863	29,594	2,108
Other receivables	591	1,320	8,376
Prepaid expenses and accrued income	5,262	2,236	4,570
	1,469,556	2,027,236	2,255,936
<b>Cash and cash equivalents</b>	239	268	265
<b>Total current assets</b>	<b>1,469,795</b>	<b>2,027,504</b>	<b>2,256,201</b>
<b>TOTAL ASSETS</b>	<b>2,953,484</b>	<b>3,462,950</b>	<b>3,741,141</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<i>Restricted equity</i>			
Share capital, 1,000 shares	1,000	1,000	1,000
Statutory reserve	200	200	200
	1,200	1,200	1,200
<i>Non-restricted equity</i>			
Profit and loss brought forward	413,825	350,528	350,528
Profit for the year	-19,978	-20,515	63,297
	393,847	330,013	413,825
<b>Total Equity</b>	<b>395,047</b>	<b>331,213</b>	<b>415,025</b>
<b>Untaxed reserves</b>			
Untaxed reserves	44,656	37,003	44,656
<b>Total Untaxed reserves</b>	<b>44,656</b>	<b>37,003</b>	<b>44,656</b>
<b>Non-current liabilities</b>			
Bond loans	1,495,200	1,492,800	1,493,400
Liabilities to Group companies	350,000	350,000	350,000
<b>Total non-current liabilities</b>	<b>1,845,200</b>	<b>1,842,800</b>	<b>1,843,400</b>
<b>Current liabilities</b>			
Overdraft facility	156,141	1,035,001	1,023,408
Liabilities to credit institutions	121,222	172,732	155,982
Accounts payable	5,191	4,180	5,507
Liabilities to Group companies	353,520	11,198	224,321
Other liabilities	3,642	2,701	2,569
Accrued expenses and deferred income	28,865	26,122	26,273
<b>Total current liabilities</b>	<b>668,581</b>	<b>1,251,934</b>	<b>1,438,060</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,953,484</b>	<b>3,462,950</b>	<b>3,741,141</b>







 **Hedin Bil**

I.A. Hedin Bil AB | Box 2114 | 431 02 Mölndal  
[www.hedinbil.se](http://www.hedinbil.se)