

## I.A. Hedin Bil AB interim report Q4 2019

*Higher profit margins during the fourth quarter compared to the fourth quarter 2018 is the effect of stronger achievements in all business areas.*

Gothenburg, 28th of February 2020

The impact of changes in drivetrains and emission and tax regulations continues to affect our markets. In Sweden, the number of new vehicle registrations increased, primarily driven by a change in the calculation of vehicle tax starting 2020, with a considerable increase in cost for a large portion of the new vehicles traded in the market. In Norway, number of new registrations decreased in the fourth quarter, driven by lower sales volumes of fossil fueled vehicles while the number of fully electric vehicles and plug in electric hybrid vehicles continues to increase. The Belgian market decreased slightly, at the same time as Mercedes-Benz finished as the number one selling premium brand.

Overall, it is satisfying that we can wrap up 2019 with continuing strong performance in challenging marketplaces. There are no short cuts to this. The improvement in margins is an ongoing work made up of several components: relevant products, an increased share of aftermarket service plans sold, a competitive offer of add on services such as financing and insurance, and the possibility to offer different ownership solutions focusing on a convenient and predictable customer journey. But an equally important component for success is the focus on cost control and increased efficiency.

Many of these improvements are facilitated through the investment in new IT solutions that combine internal organizational support while providing our customers with easy to use front end solutions. We will continue these efforts to realize the economies of scale we get by being one of Europe's largest car retailers.

Key performance indicators compared with previous year:

- Net sales increased by 10 % to MSEK 5 919 (MSEK 5 372).
- Operating profit increased to MSEK 134 (MSEK 55). Excluding IFRS16 operating profit was MSEK 124.
- Profit after financial items increased to MSEK 86 (MSEK 25), or MSEK 94 excluding IFRS 16.

For full report please follow link:

<https://www.hedinbil.se/om-hedin-bil/investor-relations/ekonomiska-rapporter>

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(publ)

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*The information in this press release is information which I.A. Hedin Bil AB is required to disclose under the EU Market Abuse Regulation (EU) No 596/2014. The information was provided by the contact person for publication on the 28<sup>th</sup> of February 2020 at 15:00 CET. I.A. Hedin Bil Aktiebolag (publ), Box 2114, 431 02 Mölndal.*

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I.A. Hedin Bil is one of the largest privately-owned automotive retailers in the Nordics, with 33 brands in the portfolio, offering full service for private and corporate customers. Financing, service and insurance are some of the components of the total offer. Hedin Bil is represented in more than 100 locations in Sweden, Norway and Belgium. Turnover in 2018 amounted to 21,5 bn SEK with 2,700 employees. [www.hedinbil.se](http://www.hedinbil.se)

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