

Interim report January – March 2008

- Revenues increased by 3 per cent to SEK 626 M (606). Taking into account the positive currency effects and fewer number of workdays during the quarter, revenues increased by 6 per cent.
- EBIT amounted to SEK 48 M (53) and the EBIT margin to 8 per cent (9).
- Income after financial items amounted to SEK 53 M (61).
- Profit after tax amounted to SEK 39 M (44) and earnings per share before and after dilution amounted to SEK 1.20 (1.34).
- During the quarter, 104 new workshops were affiliated, of which 78 belonged to the new MekoPartner workshop chain. The number of affiliated workshops increased to a total of 882 (768).

SUMMARY OF THE GROUP'S EARNINGS TREND	January - March			12 months	Full-year
	2008	2007	Change, %	April - March	2007
Revenues, SEK M	626	606	3	2 570	2 550
EBIT, SEK M	48	53	-9	244	250
Profit after financial items, SEK M	53	61	-13	410	418
Profit after tax, SEK M	39	44	-11	343	348
Earnings per share, SEK	1.20	1.34	-10	10.89	11.03
EBIT margin, %	8	9		10	10

CEO's comments

During the first quarter, we strengthened our market position further by increasing market shares in all markets. Mekonomen's revenues increased by 3 per cent to SEK 626 M compared with the year-earlier period, despite a negative trend for the general industry. Taking into account the negative calendar effect and the positive currency effects during the quarter, revenues increased by 6 per cent.

EBIT amounted to SEK 48 M (53). The calendar effect affected EBIT negatively. The planned measures aimed at increasing the growth rate charge EBIT in all countries in the short term. The measures during the quarter included the launch of a new workshop concept, MekoPartner, the establishment of a workshop centre in Sweden, the opening of the Mekonomen Outlet in Strängnäs, extended opening hours in all countries, implemented marketing activities on TV and the development of a consumer-focused store concept.

Our action program in Denmark is going according to plan. During the quarter, Denmark's performance was satisfactory, with an underlying sales growth of 12 per cent and a strengthened market position.

Measures within the workshop segment during the quarter resulted in a total of 104 new workshops, of which 26 are new Mekonomen Service Centres and 78 new MekoPartner. The number of workshops in Sweden has increased by 34, in Norway by 26 and in Denmark by 44. In order to additionally increase the service level at workshops, we have introduced the Mekonomen workshop centre, a new concept which focuses solely on sales and deliveries directly to workshops. The first workshop centre was opened in Västberga, outside Stockholm, during the quarter.

We will continue to focus strongly on developing our position with the new concept aimed at making CarLife easier for our customers.

Håkan Lundstedt
President and CEO

Consolidated sales and earnings

REVENUES

Revenues increased by 3 per cent to SEK 626 M (606). Adjusted for currency effects, revenues increased by 1 per cent. Calculated on comparable workdays, revenues increased by 8 per cent, and adjusted also for currency effects the increase was 6 per cent. The number of workdays was on average three days fewer compared with the year-earlier period. The underlying revenues (defined as comparable workdays and taking into account currency effects) increased in all countries, of which Denmark displayed the strongest growth.

EBIT

EBIT amounted to SEK 48 M (53) and EBIT margin to 8 per cent (9). As a result of property divestment during the third quarter of 2007, leasing expenses increased by SEK 7 M during the first quarter of 2008 compared with the year-earlier period. Planned growth measures charged EBIT in all countries.

PROFIT AFTER FINANCIAL ITEMS

Profit after financial items amounted to SEK 53 M (61). Net interest income amounted to SEK 3 M (expense: 1) and other financial items to SEK 2 M (9). Financial items include capital gains of SEK 2 M pertaining to the divestment of one of the Group's properties and currency effects of SEK 0 M (9).

Financial position

Cash flow from operating activities amounted to SEK 18 M (87). On 31 March 2008, cash and cash equivalents and current investments amounted to SEK 293 M, compared with SEK 290 M on 31 December 2007. The equity/assets ratio amounted to 66 per cent (63). Interest-bearing liabilities amounted to SEK 3 M (147) and at the end of the period, net cash in hand amounted to SEK 290 M, compared with the net cash in hand of SEK 284 M on 31 December 2007.

Investments

During the quarter, investments in fixed assets amounted to SEK 15 M (6). Company and business acquisitions amounted to SEK 7 M (6). Acquired assets amounted to SEK 3 M and acquired liabilities to SEK 0 M. No intangible excess values besides goodwill, which amounted to SEK 4 M, have been identified in connection with the acquisitions.

Acquisitions and start-ups

During the first quarter, a cooperation store was acquired in Kongsvinger, Norway and a new store was opened in Uppsala, Sweden. In addition, minority shares were acquired in Sweden. Two stores, Sättra and Östberga in Sweden, were closed in conjunction with the opening of the new workshop centre in Stockholm.

The total number of stores in the chain at the end of the period was 192 (192), of which 157 (148) were wholly owned stores. The number of affiliated workshops increased to a total of 882 (768), of which Mekonomen Service Centres increased to 804 (768) and MekoPartner to 78 (0).

Human resources

The number of employees at the end of the period was 1,307 (1,251) and the average number of employees during the period was 1,305 (1,250). The increase was primarily due to store personnel in the nine new wholly owned stores.

Performance by geographic market

SWEDEN

EARNINGS TREND	January - March			12 months	Full-year
	2008	2007	Change. %	April – March	2007
Net sales (external), SEK M	294	299	-2	1 265	1 270
EBIT, SEK M	38	53	-28	201	216
EBIT margin, %	13	18	-	16	17
Number of stores/of which wholly owned	112/93	114/88	-	-	114/93
Number of Mekonomen Service Centres	341	334	-	-	337
Number of MekoPartner	30	-	-	-	-

In Sweden, the number of workdays was two less than the year-earlier period, corresponding to estimated sales of approximately SEK 10 M. The underlying net sales increased by 2 per cent.

As a result of property divestment during the third quarter of 2007, leasing expenses increased by SEK 4 M for the first quarter compared with the year-earlier period.

NORWAY

EARNINGS TREND	January - March			12 months	Full-year
	2008	2007	Change %	April – March	2007
Net sales (external), SEK M	142	134	6	592	584
EBIT, SEK M	16	20	-20	77	81
EBIT margin, %	11	15		13	14
Number of stores/of which wholly owned	42/26	40/22		-	42/25
Number of Mekonomen Service Centres	321	315		-	305
Number of MekoPartner	10	-		-	-

In Norway, the number of workdays was three less than the year-earlier period, corresponding to estimated sales of approximately SEK 8 M. Currency effects were positive. The underlying net sales increased by 7 per cent.

DENMARK

EARNINGS TREND	January - March			12 months	Full-year
	2008	2007	Change, %	April – March	2007
Net sales (external), SEK M	178	163	9	676	661
EBIT, SEK M	0	-1	-100	-21	-22
EBIT margin, %	0	-1		-3	-3
Number of stores, of which wholly owned	38/38	38/38		-	38/38
Number of Mekonomen Service Centres	142	119		-	136
Number of MekoPartner	38	-		-	-

In Denmark, the number of workdays was four less than the year-earlier period and corresponds to net sales of SEK 12 M. The currency effects were positive. The underlying net sales increased by 12 per cent.

As a result of property divestment during the third quarter of 2007, leasing expenses increased by SEK 3 M for the first quarter of 2008 compared with the year-earlier period.

Number of workdays per quarter and country

	Q1		Q2		Q3		Q4		Full-year	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Sweden	62	64	62	59	66	65	62	62	252	250
Norway	61	64	63	59	66	65	62	62	252	250
Denmark	61	65	61	59	66	65	62	61	250	250

Significant risks and uncertainty factors

The company conducted a review and assessment of operating and financial risks and uncertainty factors in accordance with the description in the 2007 Annual Report and found that no significant risks have changed since then. Risk factors and exposures for the Parent Company and the Group for the immediate future will focus primarily on logistics and delivery rate and changing the business systems in the Group, which was initiated in Sweden during 2007 and will be implemented in the rest of the Group during 2008. Refer to the 2007 Annual Report for a complete report on the risks that affect the Group.

Parent Company

The Parent Company's operations comprise Group management and Group-wide functions, as well as finance management. Profit after net financial items for the Parent Company amounted to SEK 2 M for the quarter excluding dividends from subsidiaries. The average number of employees for the period was 61 (33). As of 2007, the claims and product divisions as well as the accounts department were transferred to Mekonomen AB. These departments were previously part of the Wholesale operation in Strängnäs and the Swedish Retail operation and comprise a total of 26 persons.

During the period, Mekonomen AB sold products and service to Group companies for a total of SEK 18 M (15).

Events after the end of the period

Mekonomen's Annual General Meeting was held in Stockholm on 4 April, at which the General Meeting approved the Board's proposals. Dividends of SEK 11 per share, totalling SEK 339,557,042, were paid on 14 April.

Mekonomen continues the drive towards the corporate fleet market by establishing a new business area, Mekonomen Fleet. Staffan Lindewald has been appointed as head of Mekonomen Fleet. Staffan Lindewald is 35 years old and presently CEO at GoGreen AB. Mekonomen has during May entered partnership concerning service, repair, accessories and tires with AVIS and Relacom.

Accounting principles

Mekonomen applies the International Financial Reporting Standards (IFRS) as adopted by the EU. This interim report was prepared in accordance with the Annual Accounts Act, IAS 34 Interim Financial Reporting and RR31 Interim Reporting for Groups. The new or revised IFRS standards or IFRIC interpretations that became effective on 1 January 2008 have not had any material effect on the Group's income statement or balance sheets. The accounting principles in accordance with IFRS are unchanged from the preceding year and are described in the 2007 Annual Report. The Parent Company prepares its accounts in accordance with the Annual Accounts Act and applies the same accounting principles and valuation methods as in the most recent Annual Report.

Forthcoming financial reporting dates

INFORMATION	PERIOD	DATE
Interim report	January – June 2008	22 August, 2008
Interim report	January – September 2008	4 November, 2008
Year-end report	January – December 2008	18 February, 2009

Stockholm, 16 May, 2008

Mekonomen AB (publ), Corp. Reg. No: 556392-1971

Håkan Lundstedt
President and CEO

This interim report has not been subject to review by the Company's auditors.

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Mekonomen is a spare parts chain with its own wholesale operation and a nationwide retail network of wholly owned and cooperating stores in Sweden, Norway and Denmark. Group revenues mainly consist of sales to service centres and motorists via wholly owned stores, and wholesale operations aimed at cooperating stores.

www.mekonomen.se

Consolidated financial reports

QUARTERLY DATA BY SEGMENT	2008	2007				2006			
	Q 1	Q 4	Q 3	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1
NET SALES, SEK M									
Sweden	294	328	314	330	299	322	311	329	256
Norway	142	150	146	154	134	133	133	151	120
Denmark	178	166	162	170	163	162	158	176	167
Group-wide and eliminations	3	5	4	3	3	6	3	3	3
GROUP	617	649	626	657	599	623	605	659	545
EBIT, SEK M									
Sweden	38	51	57	55	53	58	57	49	34
Norway	16	17	25	20	20	7	20	21	10
Denmark	0	-21	0	1	-1	9	1	-12	-5
Group-wide and eliminations	-6	-4	-3	1	-18	0	-7	-21	-1
GROUP	48	43	78	76	53	74	71	37	38
INVESTMENTS, SEK M									
Sweden	5	4	3	3	2	7	2	3	3
Norway	1	0	1	1	1	1	1	1	1
Denmark	4	4	2	5	3	7	1	2	1
Group-wide and eliminations	5	7	5	1	1	0	1	2	5
GROUP	15	15	11	11	6	15	5	8	10
EBIT MARGIN, %									
Sweden	13	15	18	16	18	18	18	15	13
Norway	11	11	17	13	15	5	15	14	8
Denmark	0	-13	0	1	-1	6	1	-7	-3
GROUP	8	7	13	11	9	12	12	6	7

CONDENSED INCOME STATEMENT (SEK M)	January - March			12 months	Full-year
	2008	2007	Change %	April - March	2007
Net sales	617	599	3	2 548	2 530
Other operating revenue	9	7	29	22	20
TOTAL REVENUES	626	606	3	2 570	2 550
OPERATING EXPENSES					
Goods for resale	-315	-316	0	-1 292	-1 294
Other external costs	-104	-93	12	-422	-410
Personnel costs	-150	-135	11	-576	-560
Depreciation of fixed assets	-9	-9	0	-36	-37
Impairment of intangible assets	0	0		-	0
EBIT	48	53	-9	244	250
Interest income	3	1	200	13	10
Interest expense	0	-3	-100	-6	-9
Other financial items	2	10	-80	159	166
PROFIT/LOSS AFTER FINANCIAL ITEMS	53	61	-13	410	418
Tax	-14	-17	-18	-67	-70
NET PROFIT/LOSS FOR THE PERIOD	39	44	-11	343	348
NET PROFIT/LOSS FOR THE PERIOD SPECIFIED AS					
Parent Company's shareholders	37	42	-12	336	340
Minority owners	2	2	0	7	7
Earnings per share before dilution, SEK *	1.20	1.34	-10	10.89	11.03

*) No dilution is applicable

CONDENSED BALANCE SHEET (SEK M)	31 March 2008	31 March 2007	31 December 2007
ASSETS			
Intangible assets	214	177	206
Tangible fixed assets	98	99	97
Financial fixed assets	10	9	10
Deferred tax assets	6	3	2
Inventories	572	547	554
Current receivables	354	317	300
Cash and cash equivalents and short-term investments	293	60	290
Properties held for sale	15	391	22
TOTAL ASSETS	1 562	1 603	1 481
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	1 031	1 003	996
Long-term liabilities	48	62	44
Current liabilities	483	538	441
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1 562	1 603	1 481

CONDENSED CASH-FLOW STATEMENT (SEK M)	January - March		12 months	Full-year
	2008	2007	April - March	2007
Cash flow from operating activities before changes in working capital	20	48	227	255
Cash flow from changes in working capital	-2	39	24	65
CASH FLOW FROM OPERATING ACTIVITIES	18	87	251	320
Cash flow from investing activities	-13	-11	446	448
Cash flow from financing activities	-1	-112	-463	-574
CASH FLOW FOR THE PERIOD	4	-36	234	194

CHANGE IN SHAREHOLDERS' EQUITY (SEK M)	January - March	
	2008	2007
SHAREHOLDERS' EQUITY AT THE BEGINNING OF THE PERIOD	996	953
Currency effects	-4	6
Acquired minority shares, net	0	0
Net profit for the period	39	44
SHAREHOLDERS' EQUITY AT THE END OF THE PERIOD	1 031	1 003
OF WHICH, MINORITY SHARE	19	22

QUARTERLY DATA	2008	2007				2006			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Total sales, SEK M	626	653	626	666	606	630	608	663	550
EBIT, SEK M	48	43	78	76	53	74	71	37	38
Profit after financial items, SEK M	53	68	216	73	61	66	65	32	36
Net profit for the period, SEK M	39	65	187	52	44	46	46	23	25
EBIT margin, %	8	7	13	11	9	12	12	6	7
Earnings per share, SEK	1.20	2.13	8.90	1.62	1.34	1.53	1.34	0.64	0.77

KEY RATIOS	January - March*)		12 months	Full-year
	2008	2007	April - March	2007
Return on equity, %	33.8	15.6	33.8	35.6
Return on total capital, %	26.3	1.7	26.3	27.3
Return on capital employed, %	38.2	20.3	38.2	38.7
Equity/assets ratio, %	66.0	62.6	-	67.3
Gross margin, %	49.0	47.2	49.3	48.9
EBIT margin, %	7.6	8.8	9.5	9.8
Earnings per share, SEK	1.20	1.34	10.89	11.03
Net asset valuation per share, SEK	32.8	31.8	-	31.7
Number of shares at the end of the period	30 868 822	30 868 822	30 868 822	30 868 822
Average number of shares during the period	30 868 822	30 868 822	30 868 822	30 868 822
Number of stores in Sweden/of which wholly owned	112/93	114/88	-	114/93
Number of stores in Norway/of which wholly owned	43/26	40/22	-	43/26
Number of stores in Denmark/of which wholly owned	38/38	38/38	-	38/38

*) Key ratios for returns on equity/employed/total capital are calculated on a rolling 12 months basis for the period January - March.

AVERAGE NUMBER OF EMPLOYEES	October - December		12 months	Full-year
	2008	2007	April - March	2007
Sweden	642	642	636	637
Norway	220	195	210	202
Denmark	380	380	384	382
Parent Company	61	33	60	50
Group	1 305	1 250	1 290	1 271

Financial reports, Parent Company

CONDENSED INCOME STATEMENT (SEK M)	January - March		12 months	Full-year
	2008	2007	April - March	2007
Total revenues	21	21	80	80
Operating expenses	-30	-33	-100	-104
EBIT	-9	-12	-20	-23
Net financial items	6	2	321	317
Profit/loss after financial items	-3	-10	301	294
PROFIT/LOSS FOR THE PERIOD	-3	-10	272	265

CONDENSED BALANCE SHEET (SEK M)	31 March 2008	31 March 2007	31 December 2007
Assets			
Long-term receivables in Group companies	0	223	0
Fixed assets	272	260	268
Current receivables in Group companies	178	165	188
Other current receivables	65	31	48
Cash and cash equivalents and short-term investments	239	95	312
Total assets	754	774	816
Shareholders' equity and liabilities			
Shareholders' equity	639	544	637
Provisions	3	-	3
Untaxed reserves	86	41	86
Current liabilities in Group companies	0	96	50
Other current liabilities	26	93	41
Total shareholders' equity and liabilities	754	774	816

Definitions of key ratios

Return on equity

Net profit for the period, excluding minority shares, as a percentage of average shareholders' equity, excluding minority interest.

Return on total capital

Profit after net financial items plus financial expenses 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 minority as a percentage of total assets.

Gross margin

Net sales less costs for goods held for resale as a percentage of net sales.

EBIT margin

EBIT after depreciation and amortisation as a percentage of operating revenue.

Net asset value per share

Shareholders' equity excluding minority share, in relation to the number of shares at the end of the period.

Earnings per share

Net profit for the period, excluding minority shares, in relation to the average number of shares.