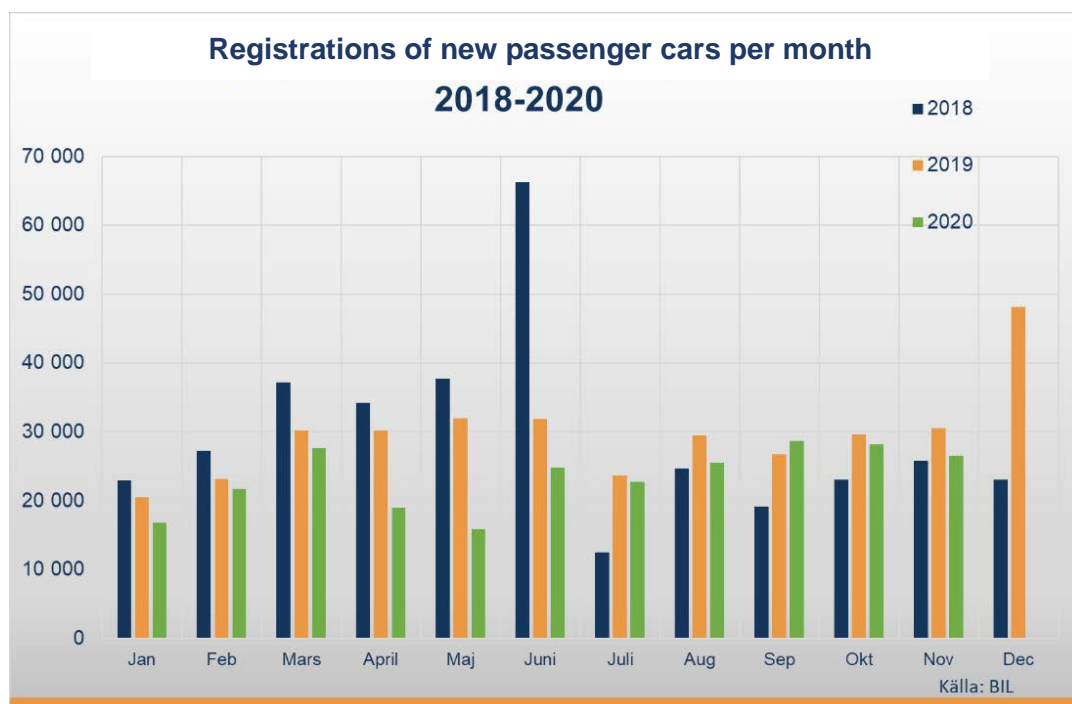


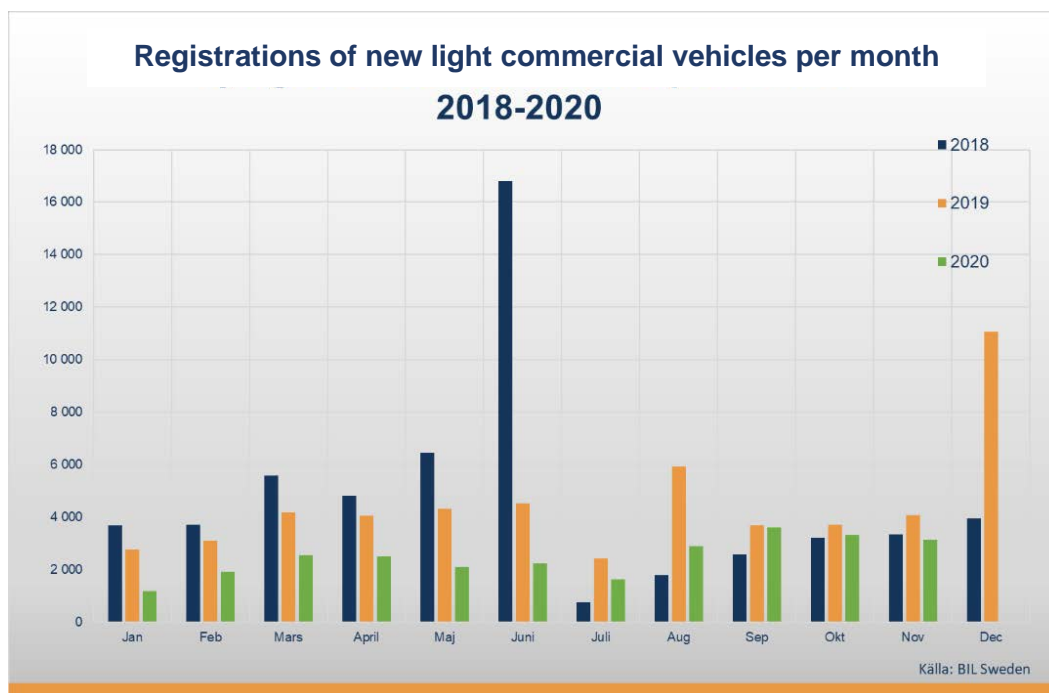
Share of rechargeable cars larger than both petrol and diesel cars in November

- Registrations of new passenger cars decreased by 12.9 percent in November compared with November last year. Although registrations decreased, this shows a continued recovery after the large decline during the second quarter of the year. The increase in rechargeable cars is greater. So far this year, 77,000 rechargeable cars have been registered, which is an increase of 116 percent. This means that rechargeable cars are now more popular than both petrol and diesel cars. This is gratifying, but at the same time the government's and the co-operation parties' various policy instruments risk slowing the positive development down next year. It is important to remember that November last year was a strong month since many took the opportunity to buy a new car before the turn of the year when the new test method WLTP was introduced in the Bonus-malus system. So far this year, passenger car registrations have decreased by 16.4 percent, says Jessica Alenius, vice president of BIL Sweden.

Bonus-malus system hits light commercial vehicles hard

- For light commercial vehicles, things are still slow. Registrations decreased by 23 percent in November compared to the same month last year and have so far this year decreased by 36.8 percent. From January to October, new registrations of light commercial vehicles in Sweden decreased the most in the entire EU. The explanation for the decline for light commercial vehicles can not only be attributed to the Corona crisis, but the Bonus-malus system contributes greatly. The system hits hard against light commercial vehicles and we have emphasized the importance of them being distinguished from passenger cars when revising the Bonus-malus system, as they perform different transport work. Also, the transition to electrification has not come as far as for passenger cars, which limits the supply, Jessica Alenius continues.





The Government's and the co-operation parties' proposals for policy instruments risk hampering the green transition

Ahead of next year, several changes for policy instruments are proposed by the Government and the co-operation parties, such as a reduced bonus for plug-in hybrid vehicles (PHEV), a sharp increase in malus even for cars with low carbon dioxide emissions, the abolition of the temporary reduction in the benefit value for electric vehicles (EV), plug-in hybrid vehicles and CNG cars and generally increased benefit values. Also, the proposal aimed at reducing the export of climate bonus cars will hamper sales of rechargeable cars. Our assessment of the consequences is that the total market will decrease by ten to twelve percent in 2021 for both passenger cars and light commercial vehicles. The share of rechargeable passenger cars is expected to drop down to this year's level of 30 percent, instead of our previous forecast of 40 percent of new registrations. This is compared to if the proposals are not implemented, says Jessica Alenius.

All-time high again in share of rechargeable cars in November

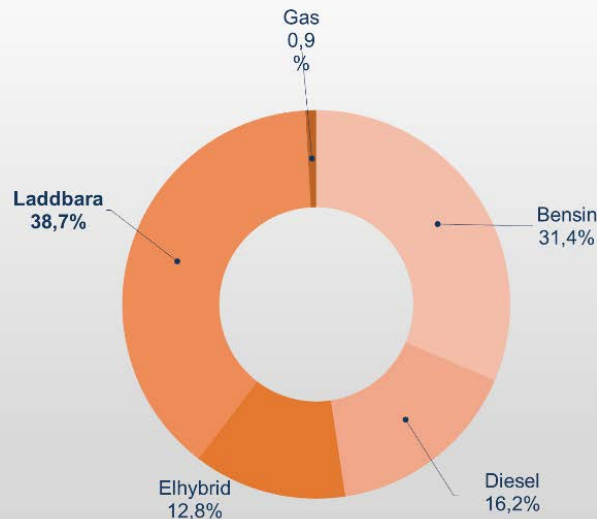
- The share of rechargeable cars, i.e., electric cars and plug-in hybrid cars, continues to be at high levels and accounted for 38.7 percent of passenger car registrations in November. This is again a record for a single month and a significantly higher share than in November last year when rechargeable cars amounted to 14 percent. Sweden is well ahead regarding rechargeable cars. During the first nine months of this year, Sweden was placed first in the EU and third in Europe, after Norway and Iceland, in terms of the share of rechargeable cars in the total new car registrations, says Jessica Alenius.

- Compared with last year, the number of rechargeable cars has increased by 116 percent so far this year, where plug-in hybrid cars account for the largest increase by 158 percent while electric cars have increased by 52 percent. In number, this is an increase of 77,000 rechargeable cars. So far this year, the share of rechargeable cars amounts to 29.9 percent, compared with 11.5 percent in the same period last year. This indicates that our forecast of 30 percent for 2020 will be met, Jessica Alenius continues.

- In the last 15 years, there have been major changes in the distribution of newly registered passenger cars per fuel. In 2005, 85 percent were petrol cars and ten percent diesel cars. Diesel cars had a rapid upward trend until the top in 2012 with 67 percent of new registrations and have since reduced their

share sharply to less than 20 percent today. During the period 2005 to 2012, petrol cars showed a downward development which was then interrupted and has since been slightly upward until 2019 but has decreased again this year. Rechargeable cars, electric cars, and plug-in hybrid cars accounted for only 0.6 percent of new registrations in 2013. They have since had a rising trend that has picked up speed and is expected to land at 30 percent this year. Every month, the rechargeable cars have been replacing both diesel and petrol cars since September. This is partly a result of the automotive industry launching more and more rechargeable models, and partly because the instruments have benefited the development. If the policy changes are introduced, we risk putting an end to this development next year, says Jessica Alenius.

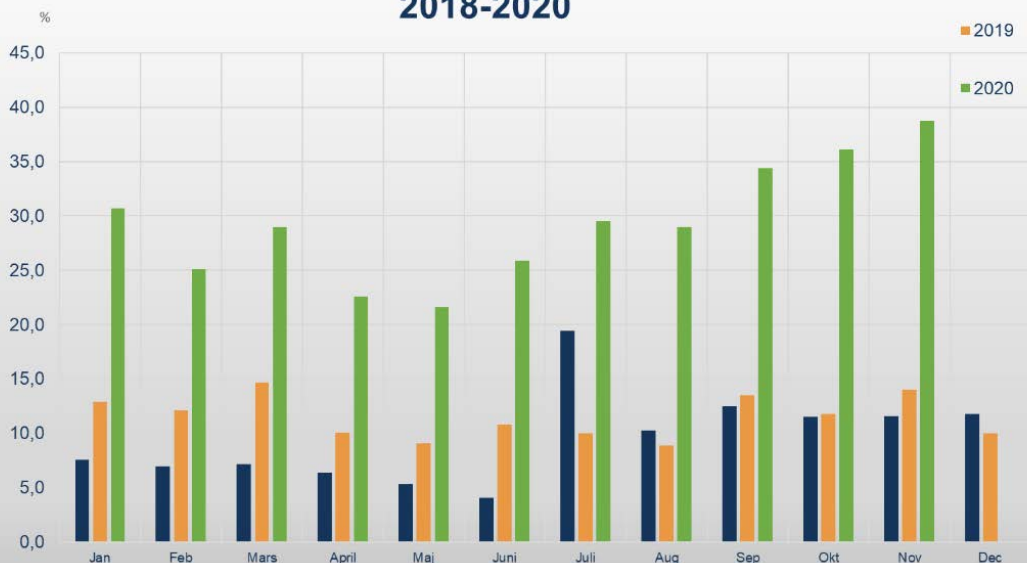
Registrations of new passenger cars per fuel in November



Källa: BIL Sweden

Share of rechargeable cars per month

2018-2020



Källa: BIL Sweden

Decline for heavy trucks and increase for buses

- Registrations of heavy trucks over 16 tonnes decreased by 16.6 percent in November. So far this year, new registrations have decreased by 26.1 percent. New registrations of buses more than tripled in November, albeit from a low level. So far this year, the registrations of buses show an increase of 6.6 percent. The bus market has been negatively affected by the Corona pandemic, but for some segments governed by public procurement, the renewal of the bus fleet has continued, Jessica Alenius concludes.

The registration period for November includes registrations from 31 October to 30 November. The amount of registration days is the same as last year. BIL Sweden always reports the month's registration figures on the first weekday of the month. When the last day or days of the month occurs on a public holiday, registrations made on those days (usually a few) will not be included in that month's registration figures. These registrations are instead included in the following month's registrations.

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