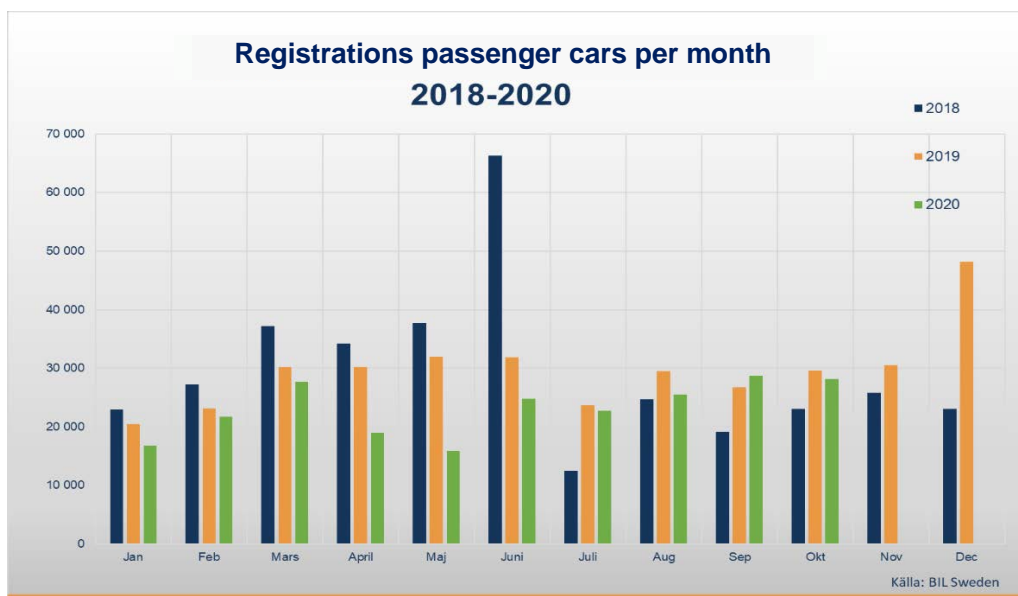


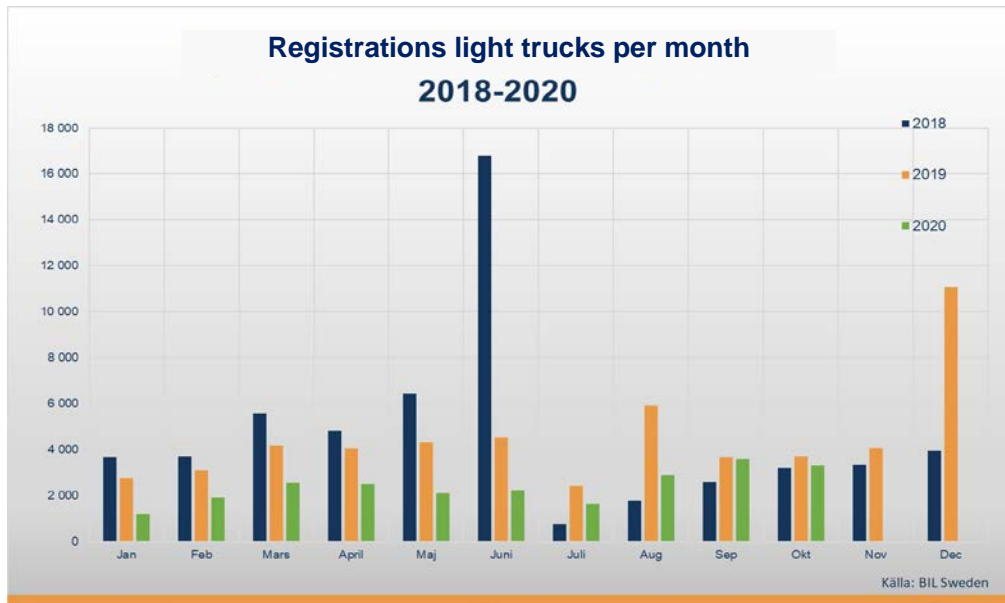
Rechargeable cars are strongly increasing – now three percent of all passenger cars in traffic

The registrations of new passenger cars decreased by 5 percent in October, compared with October last year. Despite the fact that registrations decreased, this shows a continued recovery in relation to the very weak second quarter, when the registrations decreased by 37 percent compared with the same period last year. However, rechargeable cars are strongly increasing. So far this year, 66,730 rechargeable cars have been registered, which is an increase of 113 percent or 35,410 cars. Of all passenger cars in traffic, three percent are now rechargeable, of which one percent are fully electric cars (EV) and two percent are plug-in hybrid vehicles (PHEV). It is gratifying at the same time as it shows that the transition to an electric vehicle fleet will take time. It is worth noting that October last year was a strong month, due to the fact that many took the opportunity to buy a new car before January 1st, 2020, when the new test method WLTP was introduced into the Bonus-malus system. So far this year, passenger car registrations have decreased by 16.8 percent, says Mattias Bergman, CEO of BIL Sweden.

The bonus-malus system hits hard against light trucks

- For light trucks, registrations decreased by 11.1 percent in October compared to the same month last year and have so far this year decreased by 38.2 percent. During the period January to September, new registrations of light trucks in Sweden decreased the most in the entire EU. The explanation for the low amount of registrations of light trucks is not only the Corona crisis, but also the fact that the Bonus-malus system hits light trucks particularly hard. We have emphasized the importance of distinguishing light trucks from passenger cars in the revision of the Bonus-malus system, as they carry out different transport work. In addition, the transition to electrification has not come as far as for passenger cars, which limits the supply. The proposed tightening of the Bonus-malus system next year, with a sharp increase in malus, will unfortunately have the transition go in the opposite direction, Mattias Bergman continues.





Risk that the green transition will be inhibited

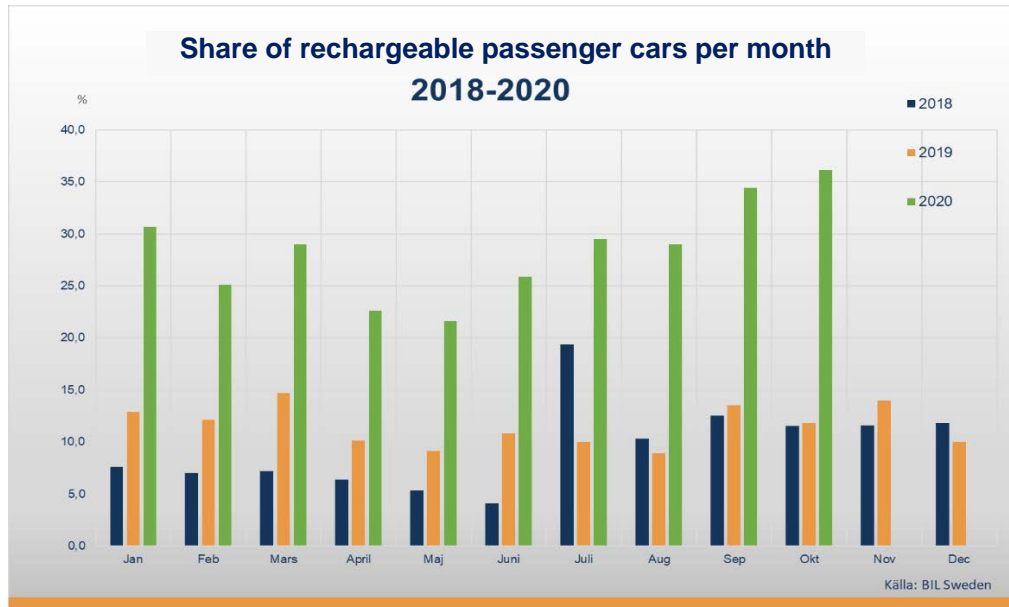
- There is still great uncertainty about both the development of the pandemic and the economic development in the future, even if a recovery has begun. The changes announced by the government in the budget for next year contains several positive parts, but also parts that are deeply worrying, such as reduced bonus for plug-in hybrids, sharply increased malus even for cars with low carbon dioxide emissions, the abolition of the temporary reduction in the benefit value for rechargeable cars, plug-in hybrids and gas fuel cars, and in the long run generally increased benefit values. These adjustments send completely the wrong signals to the market and there is a risk that the green transition that has begun will be slowed down, says Mattias Bergman.

New record in share of rechargeable cars again in October

- The share of rechargeable cars, ie EV and PHEV, continues to be at high levels and accounted for 36 percent of passenger car registrations in October. This again is a record for a single month, and a significantly higher share than in October last year, when rechargeable cars amounted to 11.8 percent. Compared with last year, the number of rechargeable cars has increased by 113 percent so far this year, where hybrids account for the largest increase by 162 percent, while fully electric cars have increased by 44 percent. In numbers, this is an increase of 35,410 rechargeable cars, of which 29,750 are plug-in hybrids. So far this year, the proportion of rechargeable cars amounts to 28.9 percent, compared with 11.3 percent the same period last year. This is in line with our forecast of 30 percent for 2020, says Mattias Bergman.

- Sweden is one of the few countries in the EU that reduced its carbon dioxide emissions from new passenger cars in 2019. In order for the positive trend of reduced carbon dioxide emissions from new cars to continue, the incentives for rechargeable cars must be maintained and developed. The changes in legislation next year affecting the passenger car market, such as the reduction of the benefit value that will not be extended for rechargeable and gas cars, or that the bonus for plug-in hybrids will be reduced and the benefit value raised, will risk slowing the

positive development down. A large portion of the rechargeable cars is bought by companies and not by private individuals. The proposed adjustments are mainly detrimental to passenger cars and light trucks used by companies and their employees, who are at the forefront of the conversion, says Mattias Bergman.



Decrease for heavy trucks and increase for buses

- Registrations of heavy trucks over 16 tons decreased by 17.1 percent in October. So far this year, the registrations have decreased by 27.1 percent. Registrations of buses increased by 44.2 percent in October. So far this year, however, bus registrations have decreased by 3.6 percent. The bus market is largely governed by public procurement and has also been negatively affected by the Corona pandemic, concludes Mattias Bergman.

The registration period for October includes registrations from 1-30 October. October last year had an extra registration day. 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.

Detailed information about the vehicle registrations can be found in the attached documents.

When you use information and statistics from BIL Sweden, please indicate the source.

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