



Interim Report January–June 2017



Continued profitable growth

1 APRIL–30 JUNE 2017

- Net sales amounted to SEK 3,387 M (2,703)
- Operating profit was SEK 405 M (165), of which profit from sale of land totalled SEK 99 M (-28)
- Operating margin was 12.0 (6.1) per cent
- Profit after financial items was SEK 346 M (92)
- Profit for the period after tax amounted to SEK 271 M (74)
- Cash flow before financing was SEK -327 M (-285)
- Earnings per share were SEK 2.51 (0.66)¹⁾
- Return on capital employed amounted to 18.7 (14.1) per cent
- The number of production starts of housing units in the period was 1,442 (1,506)
- The number of housing units sold in the period was 1,020 (1,763)
- The number of housing units recognized for profit was 1,281 (1,101)

1 JANUARY–30 JUNE 2017

- Net sales amounted to SEK 6,289 M (4,581)
- Operating profit was SEK 908 (349) M, of which profit from sale of land totalled SEK 382 M (-19)
- Operating margin was 14.4 (7.6) per cent
- Profit after financial items was SEK 795 M (206)
- Profit for the period after tax amounted to SEK 622 M (162)
- Cash flow before financing was SEK -1,406 M (-861)
- Earnings per share were SEK 5.75 (1.50)¹⁾
- Return on capital employed amounted to 18.7 (14.1) per cent
- The number of production starts of housing units in the period was 2,891 (2,253)
- The number of housing units sold in the period was 1,870 (2,551)
- The number of housing units recognized for profit was 2,156 (1,730)

SEK M	2017 Apr–Jun	2016 Apr–Jun	2017 Jan–Jun	2016 Jan–Jun	Jul 2016– Jun 2017	2016 Jan–Dec
Net sales	3,387	2,703	6,289	4,581	15,201	13,492
Operating profit	405	165	908	349	2,121	1,562
Operating margin, %	12.0	6.1	14.4	7.6	14.0	11.6
Profit after financial items	346	92	795	206	1,872	1,283
Profit for the period after tax	271	74	622	162	1,464	1,004
Earnings per share, SEK ¹⁾	2.51	0.66	5.75	1.50	13.51	9.26
Cash flow before financing	-327	-285	-1,406	-861	-9	536
Net debt	5,311	5,080	5,311	5,080	5,311	3,699
Net debt, excl. tenant-owners associations/housing companies ²⁾	1,026	1,371	1,026	1,371	1,026	75
Capital employed at period end	11,810	10,984	11,810	10,984	11,810	10,134
Return on capital employed, %	18.7	14.1	18.7	14.1	18.7	14.6
Equity/assets ratio, %	31.9	27.1	31.9	27.1	31.9	33.7
Number of housing starts	1,442	1,506	2,891	2,253	6,470	5,832
Number of housing units in production at period end	9,497	9,016	9,497	9,016	9,497	9,113
Number of housing units sold	1,020	1,763	1,870	2,551	5,552	6,233
Number of housing units recognized in profit during the period	1,281	1,101	2,156	1,730	5,204	4,778

¹⁾ No dilution effect.

²⁾ For specification, see Note 2.

For definitions of key performance indicators, see www.bonava.com/en/investor-relations/financial-information

Comments from the CEO



JOACHIM HALLENGREN, PRESIDENT AND CEO

"Solid growth and profit performance in combination with our diversified business and geographical footprint, provide a stable platform for continued profitable growth."

STRONG PROFIT DEVELOPMENT

We continue to develop our operations and we are presenting another strong quarter. Net sales increased by 25 per cent to SEK 3.4 Bn (2.7), and operating margin improved to 12.0 (6.1) per cent. During the quarter, land sales generated profit of SEK 99 M, against a loss of SEK -28 M last year. I am pleased to see the results of our efforts with the investor business, which generated increased net sales as well as higher profit margins. Our investor and consumer business, and our geographical footprint, are key elements of Bonava's strategy that balances our business.

CONTINUED STRONG DEMAND

Sales to consumers decreased slightly in the quarter. In Sweden, sales slowed partly as a result of delayed project starts and a somewhat calmer but still strong market. The market remained strong in Germany, and sales are continuing to increase. Sales in Denmark and Norway are stable. Sales decreased slightly in Finland, due to limited

project starts, although demand remains strong on this market. The St. Petersburg market remained awaiting.

Although sales to investors decreased there is still a strong demand. We can see a huge interest for our products.

WE GROW IN GERMANY

In the quarter, we hosted a well-attended capital markets day in Berlin, where we presented the German operations and our strategy for continued expansion there averaging 5–10 per cent annually until 2020. Demand for affordable housing in Germany is strong, and Bonava has been named Germany's most active housing developer for the fifth year running in a survey by market analysis company bulwiengesa. We acquired more than 1,200 new building rights in Germany in the quarter, including an acquisition of a block in Berlin, where we will develop a neighbourhood with over 450 housing units.

CONTINUED PROFITABLE GROWTH

We are continuing to experience strong

demand for housing on our markets. We have a record number of housing units in production with good sales rate. Accordingly, we have increased the number of housing starts. The increased investments in housing projects affected cash flow before financing, which thus became lower compared to last year. We have started significantly more housing projects on our largest markets in Sweden and Germany, which creates favourable conditions for future sales. Bonava is growing, and I expect us to recognise significantly more housing units for profit in the future compared to the expectations in the corresponding period last year. With solid growth and profit performance in combination with our diversified business and geographical footprint, we stand stable for continued profitable growth.

Joachim Hallengren,
President and CEO

Building on a stable foundation

Bonava's origins are within the construction group NCC, and it has a long history of developing housing and vibrant neighbourhoods. We have been active in residential and community development ever since the 1930s, and over the years, we have successively sharpened our role as a residential devel-

oper. Our experience and know-how have been gathered from our own projects and acquisitions. In 2009, these operations became an independent business area – NCC Housing. We took another step last year, when we were listed on Nasdaq Stockholm. Our focus is on developing affordable

and sustainable housing for consumers and investors on selected markets where we can utilise our competence effectively and optimise our resources through the whole value chain – from project managing land to finished homes.

VISION

We create happy neighbourhoods where people have the highest quality of life

MISSION

We challenge ourselves everyday to change the housing game, creating better homes and lives for the many

NUMBER OF EMPLOYEES

1,658
(1,408)

across 23 regions in eight countries

HOUSING UNITS IN PRODUCTION

9,497
(9,016)

at the end of the quarter

NET SALES

15.2
(14.0)

SEK billion, rolling 12 month

OUTCOME FINANCIAL OBJECTIVES Q2 2017

RETURN ON CAPITAL EMPLOYED

18.7%

Return on capital employed should be 10–15 per cent

EQUITY ASSETS RATIO

31.9%

The minimum equity/assets ratio should be 30 per cent

DIVIDEND POLICY

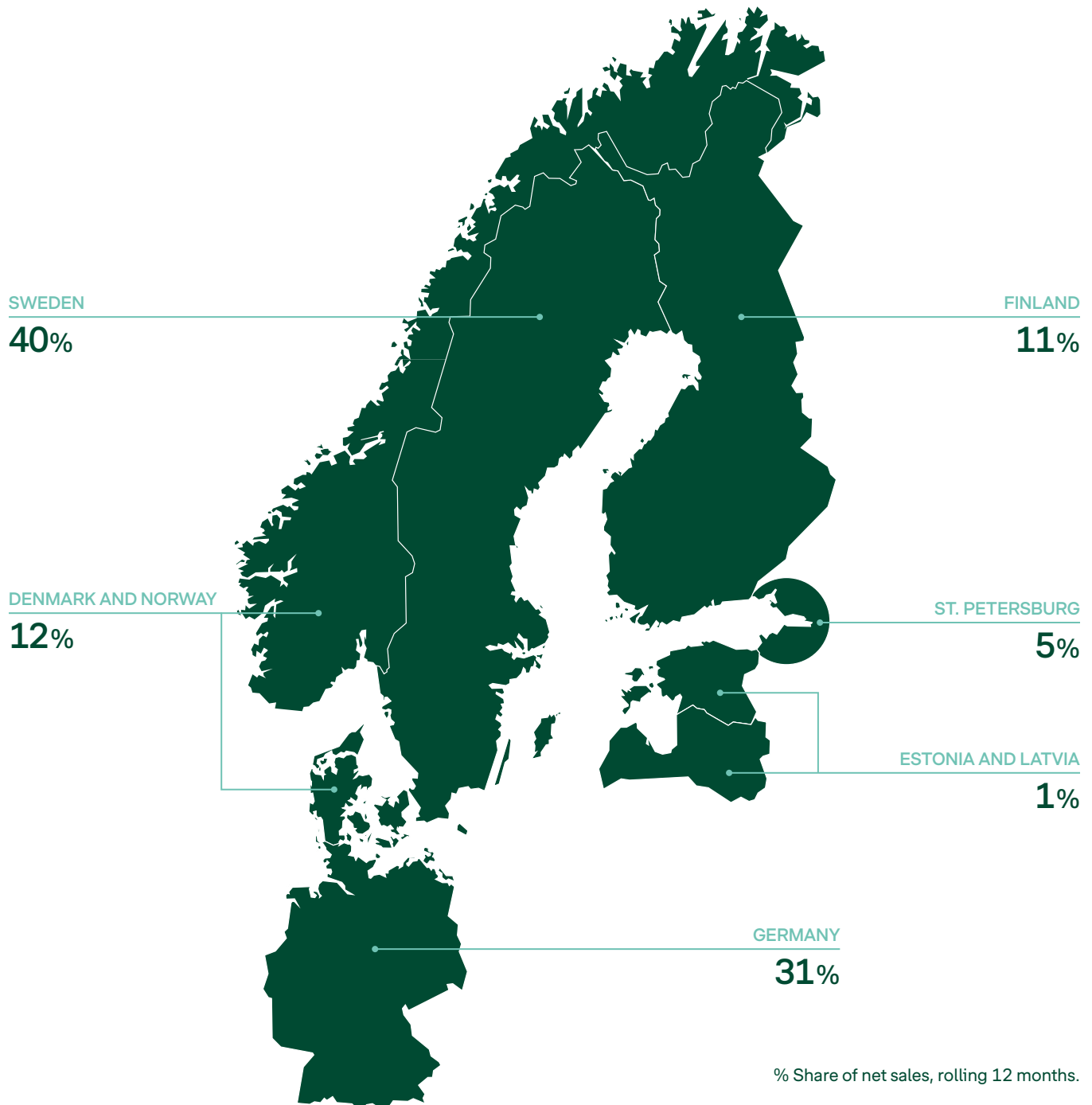
DIVIDEND

40%

(Earnings per share was SEK 13.51, Rolling 12 month)

At least 40 per cent of consolidated profit after tax should be distributed to shareholders

A leading residential developer in northern Europe



Bonava develops and sells homes across 23 regions in eight countries. Its selected geographical markets are Sweden, Germany, Finland, Denmark, Norway, St. Petersburg, Estonia and Latvia. The main characteristics are that we focus on major city regions with clear growth and stable local labour markets,

which creates demand for new housing over time.

We develop land into affordable and sustainable neighbourhoods, where housing is adapted to customers' wants and needs, as well as the unique circumstances of each place. Bonava provides multi-family housing

and single-family housing, and develops homes for consumers and investors, such as pension funds, jointly with municipalities and other stakeholders. That is how Bonava helps to create new and vibrant neighbourhoods.

Group performance

All comparative figures in this report refer to the corresponding period of the previous year. Rounding errors may occur.

MARKET PERFORMANCE

Housing prices in Sweden increased during the start of the year but has fallen slightly during the second quarter. The demand for housing still remains strong in Sweden. Housing prices in Germany increased and demand is expected to be good in the future. The housing market is strong in Denmark and the price level continued to increase, especially in Copenhagen. In Bergen, where we have our Norwegian operations, sales prices have increased during the first six month of the year. The demand in Finland is good with rising prices in the metropolitan areas. The housing market in St. Petersburg has stabilised but has during the beginning of the year been somewhat awaiting. The demand from investors is continued strong in Sweden, Germany, Finland and Denmark.

APRIL–JUNE 2017

Operational performance

Net sales

Net sales amounted to SEK 3,387 M (2,703). In the quarter, 865 (895) housing units for consumers were recognised for profit, and 416 (206) for investors were recognised for profit. The average price per housing unit for consumers increased to SEK 2.9 M (2.5) mainly due to increased average prices in Sweden and Germany. Exchange rate fluctuations had a SEK 78 M positive impact on consolidated net sales compared to the corresponding period of the previous year.

In Sweden, net sales increased as a result of a higher number of housing units handed over to consumers and investors. In Germany, net sales from consumers increased and two projects for investors

were recognised for profit. Last year, no projects for investors were recognised for profit in Germany. Net sales increased in Finland due to a higher number of housing units handed over to investors. The number of housing units for consumers recognised for profit decreased compared to the same period previous year. In Denmark–Norway, net sales decreased as a result of lower land sales. Net sales from consumers decreased somewhat. In St. Petersburg, net sales decreased as a result of lower net sales from consumers.

Operating profit

Operating profit was SEK 405 M (165) in the period. Profit from sales to consumers and investors improved. Profit from land sales was SEK 99 M (-28). In the previous year, land sales in Latvia had a SEK -51 M negative effect on operating profit.

Exchange rate fluctuations had a positive profit impact of SEK 7 M year-on-year.

In Sweden, profit improved as more housing units were recognised for profit. Two projects for investors were recognised for profit. Last year, a project for investors was completed with zero profit. Profit from land sales improved to SEK 91 M (15). In Germany, profit improved as a result of increased sales to consumers and improved profit from housing units for investors. In Finland, profit improved due to increased sales of housing units for investors and improved profit from land sales, SEK 8 M (-4). No projects for investors were recognised for profit in the previous year. The number of housing units for consumers recognised for profit decreased in Finland. In Denmark–Norway, profit from housing units for consumers decreased as a result of reduced turnover at lower margins. Profit from land sales was SEK 1 M (11). In both Finland and Denmark–Norway net sales was low and could not cover operating expenses,

resulting in a loss for the quarter. In St. Petersburg, profit decreased as a result of lower net sales of housing units for consumers.

In the previous year, consolidated profit was charged with reorganization costs relating to creating an independent Bonava of SEK 23 M in the quarter.

Net financial items, tax and profit for the period

Net financial items were SEK -58 M (-73). The improvement was due to reduced gross debt. Profit after financial items for the second quarter 2017 was SEK 346 M (92).

Tax on profit for the period was SEK -75 M (-18), corresponding to a tax rate of 22 per cent (20).

Profit for the period after tax was SEK 271 M (74).

JANUARY–JUNE 2017

Operational performance

Net sales

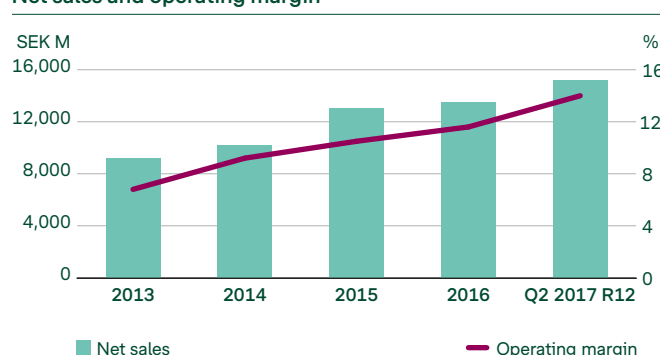
Net sales amounted to SEK 6,289 M (4,581). In the first six months of the year, 1,668 (1,524) housing units for consumers were recognised for profit. The average price per housing unit increased to SEK 2.8 M (2.6) mainly due to increased average prices in Sweden and Germany.

The number of housing units for investors recognised for profit was 488 (264).

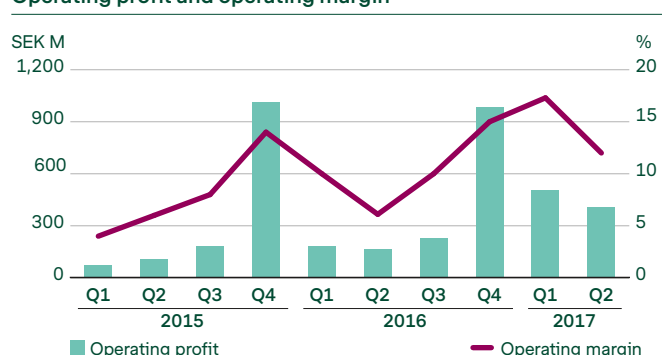
Exchange rate fluctuations had a SEK 134 M positive impact on consolidated net sales compared to the corresponding period of the previous year.

In Sweden, the number of housing units handed over to consumers and investors increased while average prices also rose. Net sales in Germany increased as a result of more housing units being handed over to consumers at higher average prices. Three projects for investors were recognised for profit. Last year, no housing units for

Net sales and operating margin



Operating profit and operating margin



investors in Germany were recognised for profit in the first half year.

Net sales in Finland increased, mainly because more housing units for investors were recognised for profit. Net sales in Denmark-Norway decreased, mainly due to lower average prices for housing units for consumers. In St. Petersburg, net sales decreased as a result of fewer housing units for consumers recognised for profit and lower average prices. One project for investors was recognised for profit in the previous year in St. Petersburg.

Operating profit

Operating profit was SEK 908 M (349) for the period. Profit from sales to consumers and investors improved. Profit from land sales was SEK 382 M (-19). In the previous year, land sales in Latvia had a SEK -89 M negative impact on operating profit.

Exchange rate fluctuations had a positive profit impact of SEK 11 M year-on-year.

Profit in Sweden improved, mainly due to stronger profit from land sales, but also because of increased profit from housing units to consumers and investors. In the previous year, one project for investors was completed with zero profit in the period. Profit from land sales increased to SEK 374 M (61).

In Germany, profit improved, partly as a result of more housing units being handed over to consumers at improved margins, but also because more housing units for investors were recognised for profit. In the

previous year, no projects for investors in Germany were recognised for profit.

Profit in Finland improved as a number of projects for investors were recognised for profit. Last year, no projects for investors in Finland were recognised for profit. Profit from land sales was SEK 8 M (-3). In Denmark-Norway, profit decreased mainly as a result of lower land sales, amounting to SEK 1 M (12). Net sales was low in both Finland and Denmark-Norway and could not cover the operating expenses, resulting in a loss for the period. In St. Petersburg, profit decreased as a result of fewer housing units handed over to consumers. One project for investors was recognised for profit last year in St. Petersburg.

In the previous year, consolidated profit was charged with reorganization costs relating to creating an independent Bonava of SEK 34 M for the first six months.

Net financial items, tax and profit for the period

Net financial items were SEK -113 M (-143). The improvement was due to reduced average net debt. Profit before tax for the first half year 2017 was SEK 795 M (206). Tax on profit for the period was SEK -173 M (-44), corresponding to a tax rate of 22 per cent (21).

Profit for the period after tax was SEK 622 M (162).

SEK M	2017 Apr-Jun	2016 Apr-Jun	2017 Jan-Jun	2016 Jan-Jun	Jul 2016- Jun 2017	2016 Jan-Dec
Net sales per segment						
Sweden	1,762	1,307	3,527	2,558	6,009	5,040
Germany	1,084	688	1,686	846	4,747	3,907
Finland	208	97	378	185	1,709	1,516
Denmark-Norway	169	208	373	464	1,840	1,931
St. Petersburg	123	365	250	471	694	915
Other and eliminations	42	38	76	57	201	182
Total	3,387	2,703	6,289	4,581	15,201	13,492

SEK M	2017 Apr-Jun	2016 Apr-Jun	2017 Jan-Jun	2016 Jan-Jun	Jul 2016- Jun 2017	2016 Jan-Dec
Operating profit per segment						
Sweden	342	167	835	428	1,327	920
Germany	128	70	169	43	603	477
Finland	-22	-36	-38	-49	103	92
Denmark-Norway	-16	-1	-9	6	179	194
St. Petersburg	21	85	34	110	102	178
Other and eliminations	-48	-121	-83	-189	-193	-298
Total	405	165	908	349	2,121	1,562

Financial position, investments and cash flow

TOTAL ASSETS

Total assets were SEK 18,859 M (17,881), with the increase primarily due to a higher volume of land held for future development and more housing units in ongoing housing projects.

NET DEBT

Net debt amounted to SEK 5,311 M (5,080), of which net debt in Swedish tenant-owner associations and Finnish housing companies amounted to SEK 4,285 M (3,709). Net debt was higher due to decreased cash flow. As of 31 March 2017, net debt was SEK 4,778.

CAPITAL EMPLOYED AND RETURN ON CAPITAL EMPLOYED

Return on capital employed was 18.7 per cent (14.1). The improvement is due to higher operating profit. Capital employed was SEK 11,810 M (10,984) at the end of the period. Capital employed increased due to higher volumes of ongoing housing projects and properties held for future development. As of 31 March 2017, capital employed was SEK 11,657 M.

In Sweden, capital employed increased as interest-free receivables were up. Return on capital employed increased as a result of improved profit.

In Germany, volumes of properties held for future development and ongoing housing projects increased. Profit also increased, while return on capital employed decreased as a result of higher capital tied up.

In Finland, capital employed was at the same level as last year. Volumes of housing projects increased slightly, while interest-free financing also increased correspondingly. Operating profit increased and return on capital employed improved.

A high number of projects were completed in Denmark-Norway in the previous year, and capital tied-up decreased year-on-year. The return on capital employed increased due to lower capital tied-up.

In St. Petersburg, capital tied-up increased as a result of higher volumes of ongoing housing projects. Return on capital employed decreased as a result of increased capital tied-up and lower profit.

EQUITY/ASSETS AND DEBT/EQUITY RATIOS

As of 30 June 2017, the equity/assets ratio was 31.9 per cent (27.1). Bonava's equity/assets ratio is affected by seasonal fluctuations as the company's assets increase in the first three quarters of the year and then decrease in the fourth quarter, when a large

number of housing units are handed over to customers and recognised for profit.

The debt/equity ratio was 0.9 (1.0). The debt/equity ratio excluding tenant-owner associations and housing companies was 0.2 (0.3).

CASH FLOW FOR THE QUARTER APRIL-JUNE

Cash flow before financing was SEK -327 M (-285) for the quarter.

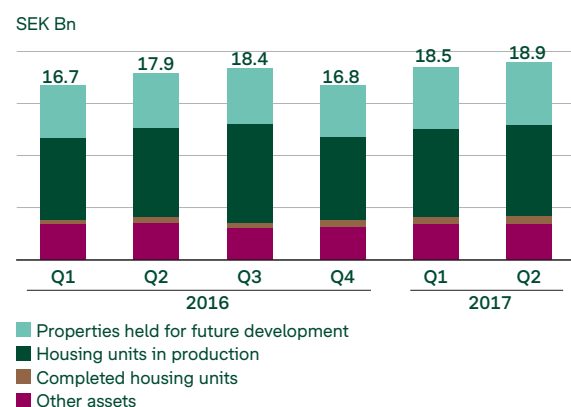
Cash flow from operating activities before changes in working capital improved due to a higher profit after financial items and increased exchange rate effects.

Cash flow from sales of housing projects increased as more housing units in Sweden, Germany and Finland were recognised for profit. Investments in housing projects increased in Sweden, Denmark-Norway and Germany.

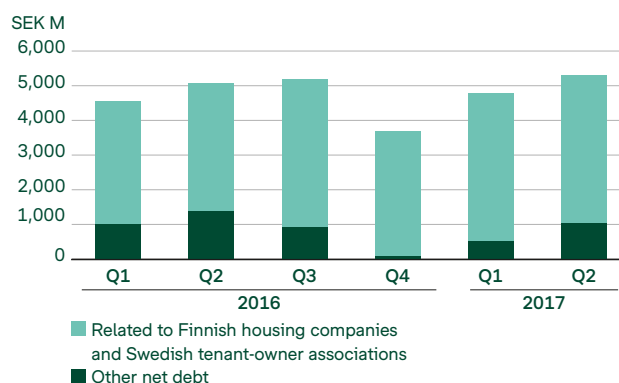
Cash flow from changes in other working capital was down on the previous year as interest-free receivables increased and accrued expenses decreased. To some extent, this was offset by increased customer advances.

Cash flow from investing activities improved due to investments in new IT systems in the previous year.

Allocation of assets



Net debt



CASH FLOW FOR THE PERIOD JANUARY-JUNE

Cash flow before financing was SEK -1,406 M (-861) in the first half year.

Profit after financial items increased. Exchange rate fluctuations had a positive impact on cash flow while tax paid increased.

Investments in land increased and the number of housing units in production rose to meet growing demand, mainly in Germany and Sweden. The number of housing units

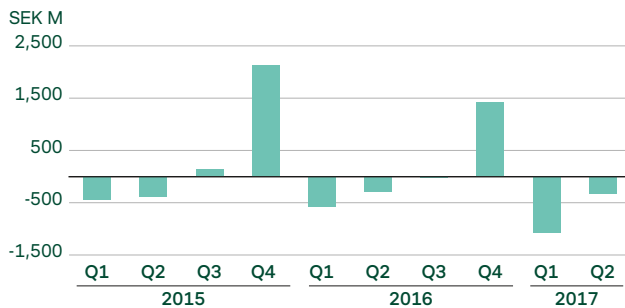
recognised for profit increased, which meant that cash flow from sales of housing projects increased. Cash flow from other working capital was down on the previous year as a result of a decrease in interest-free financing.

Cash flow from investing activities improved due to investments in new IT systems in the previous year.

SEASONAL EFFECTS

Bonava recognises revenues and earnings from housing sales when sold and completed units are delivered to customers. Bonava's operations are affected by seasonal variations due to cold weather, which means that a majority of housing units is delivered to customers in the fourth quarter. Accordingly, earnings are usually stronger in the fourth quarter than in other quarters, as illustrated on page 10 in the graph 'Estimated completions per quarter'.

Cash flow before financing



Housing sales, housing starts and building rights

COMMENTS, APRIL-JUNE 2017

Housing sales and housing starts

In the quarter, 921 (1,100) housing units were sold to consumers and 99 (663) housing units were sold to investors. Sales increased in Germany in the quarter, while sales decreased on other national markets. In Sweden, housing starts were up which improves the prospects for future sales. In the quarter 99 (241) housing units were sold to investors in Finland.

In the period, 1,343 (974) housing units were started for consumers, and 99 (532) for investors.

Housing units in production as of 30 June 2017

At the end of the period there were 7,071 (6,710) housing units for consumers and 2,426 (2,306) housing units for investors in

production. As of 30 June 2017, the sales rate was 53 per cent (64) for housing units for consumers and 100 per cent (100) for housing units for investors. At the same date, the completion rates were 43 per cent (53) and 46 per cent (58) respectively.

COMMENTS JANUARY-JUNE 2017

Housing sales and housing starts

During the period 1,639 housing units (1,888) were sold to consumers and 231 (663) housing units were sold to investors. The number of started housing units were 2,660 (1,721) for consumers and 231 (532) for investors.

Estimated completions per quarter

As more housing units are started due to increased sales, the number of completions per quarter is expected to increase in 2017.

Year-on-year, there are more housing units to be completed from the third quarter onwards.

Building rights as of 30 June 2017

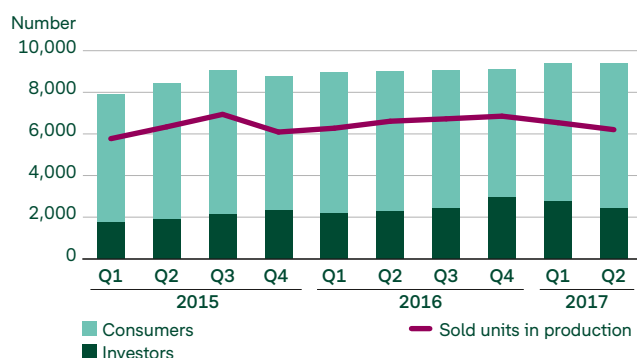
There were 29,400 (28,600) building rights, of which 17,800 (19,100) were recognised in the Balance Sheet. The increase is mainly due to a higher number of building rights relating to the ongoing expansion in Germany.

Unsold, completed housing units at year-end

The number of unsold completed housing units at period end was 172 (137). All these housing units were for consumers, mainly in St. Petersburg.

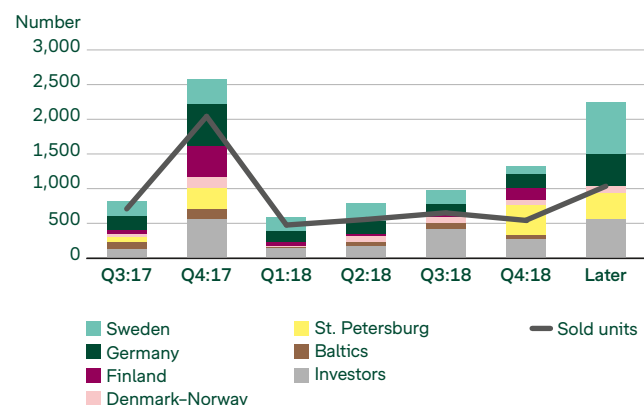
	2017 Apr-Jun	2016 Apr-Jun	2017 Jan-Jun	2016 Jan-Jun	2016 Jan-Dec
Housing units in ongoing production for consumers, at period end	7,071	6,710	7,071	6,710	6,158
Housing units in ongoing production for investors, at period end	2,426	2,306	2,426	2,306	2,955
Total number of housing units in ongoing production	9,497	9,016	9,497	9,016	9,113
Sales rate for housing units in ongoing production, %	65	73	65	73	75
Reservation rate for housing units in ongoing production, %	5	4	5	4	4
Sold and reserved housing units in ongoing production, %	70	77	70	77	79
Housing units sold to consumers in the period	921	1,100	1,639	1,888	4,311
Housing units sold to investors in the period	99	663	231	663	1,922
Total housing units sold	1,020	1,763	1,870	2,551	6,233
Housing starts for consumers in the period	1,343	974	2,660	1,721	4,041
Housing starts for investors in the period	99	532	231	532	1,791
Total housing starts	1,442	1,506	2,891	2,253	5,832

Number of housing units in production and percentage of sold housing units



The figure illustrates the number of housing units in production per quarter and the share of housing units that were sold.

Estimated completions per quarter



The figure illustrates estimated completions of housing units for consumers, and housing units for the investor market that have not yet been recognised for profit. The curve illustrates the sold proportion. Sold housing units are recognised for profit at the time of delivery.

Other

SIGNIFICANT RISKS AND UNCERTAINTIES

Bonava's operations are exposed to several types of risk, both operational and financial. Operational risks impact the Group's daily operations. This type of risk may relate to investments in land, project development, seasonal exposure or assessment of the earnings capacity of projects.

Operational risks are managed as part of the internal corporate governance process established by Bonava. The business units assess and manage risk through operational systems as well as specific processes and procedures.

The Group's financial risks such as interest-rate, currency, refinancing, liquidity and credit risks are managed centrally in order to minimise and control Bonava's risk exposure.

Customer credit risk is managed by the individual business unit. A centralised insurance function is responsible for Group-wide non-life and liability insurance, primarily property and contractor's insurance. This function also conducts preventative risk management alongside the business units, implying cost-efficient and coordinated insurable risks. The risk that Bonava may fail to comply with the company's Code of

Conduct is managed by the CSR Compliance function.

For more information, see Risks and risk management on pages 49–52 of Bonava's Annual Report 2016 at www.bonava.com.

ORGANISATION AND EMPLOYEES

The Group's average number of employees was 1,658 (1,408) in the period.

SHARES AND SHAREHOLDERS

Bonava has two classes of share, class A and class B. The closing price on 30 June 2017 was SEK 144.00 per class A share and SEK 144.10 per class B share, corresponding to market capitalisation of SEK 15.6 Bn.

Bonava's share capital was SEK 434 M on the reporting date, divided between 108,435,822 shares and 227,321,088 votes. As of 30 June 2017, Bonava had 13,209,474 class A shares and 95,226,348 class B shares. Each class A share carries 10 votes and each class B share one vote.

Bonava had 39,351 shareholders at the end of the quarter. Bonava's largest shareholder was Nordstjernan AB. As of 30 June 2017, the ten largest shareholders controlled 56.5 per cent of the capital and 68.1 per cent of the votes.

LEGAL STRUCTURE

Effective 9 June 2016, NCC distributed all the shares in Bonava AB to shareholders. NCC AB remains a minority owner of Bonava Deutschland GmbH, but Bonava holds the option to acquire NCC AB's participations in 2021. According to a profit sharing agreement, NCC AB will waive dividend and receive annual compensation of EUR 1.3 M until the agreement is cancelled, which may occur five years from entering the agreement at the earliest. The agreed profit sharing, representing a debt of SEK 45 M to NCC AB, has been reported at an amount corresponding to the fair value of four years' payments.

SIGNIFICANT EVENTS DURING THE PERIOD

In the period, Bonava repurchased 194,800 class B shares for SEK 30.0 M, related to the completion of the company's commitments under the long-term incentive program (LTIP 2017) that was introduced in the year.

TEN LARGEST SHAREHOLDERS AS OF 30 JUNE 2017

	No. of class A shares	No. of class B shares	Holding %	Votes %
Nordstjernan AB	10,000,000	10,323,759	18.7	48.5
AMF – Försäkring och Fonder	0	9,758,230	9.0	4.3
Swedbank Robur fonder	0	7,154,444	6.6	3.2
SEB Investment Management	0	5,945,514	5.5	2.6
Lannebo fonder	6,010	5,226,039	4.8	2.3
Livsförsäkringsbolaget Skandia	373,184	749,461	1.0	2.0
Fjärde AP-fonden	3,343	3,750,185	3.5	1.7
Carnegie fonder	0	2,798,667	2.6	1.2
Länsförsäkringar fondförvaltning AB	0	2,676,710	2.5	1.2
Handelsbanken fonder	0	2,541,269	2.3	1.1
Total, ten largest shareholders	10,382,537	50,924,278	56.5	68.1
Other	2,826,937	44,302,070	43.5	31.9
Total	13,209,474	95,226,348	100.0	100.0

Sweden

In Sweden, Bonava's offering focuses both on consumers and investors through multi-family and single-family housing. The consumer market is based in Stockholm, Gothenburg, Linköping, Uppsala and Umeå. The investor business focuses on some 15 Swedish cities.



TOLLARE TERRASS

Project start: Q2 2017

Location: Nacka, Stockholm

Housing category: Multi-family housing

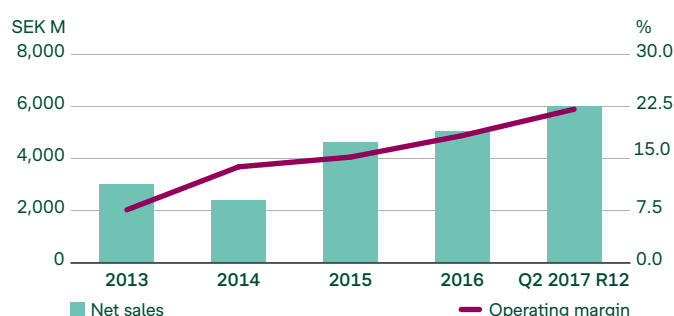
Number of housing units: 124

Welcome home to a place where you can pick blueberries under the pine trees. At Tollare Terrass life extends beyond the walls of your home. This tenant-owner association has an outdoor gym and different outdoor environments ranging from areas for quiet reflection to activity zones.

	2017 Apr-Jun	2016 Apr-Jun	2017 Jan-Jun	2016 Jan-Jun	2016 Jan-Dec
Key financial figures					
Net sales, SEK M	1,762	1,307	3,527	2,558	5,040
Operating profit, SEK M ¹⁾	342	167	835	428	920
Operating margin, %	19.4	12.8	23.7	16.7	18.3
Capital employed at period end, SEK M	4,955	4,631	4,955	4,631	4,350
Return on capital employed, %	27.6	19.6	27.6	19.6	19.3
Building rights					
Building rights, at period end, number	7,100	7,200	7,100	7,200	7,200
of which, off-balance sheet building rights, number	3,800	2,700	3,800	2,700	3,300
Housing development for consumers					
Number of sold housing units during the period	189	315	344	564	1,123
Number of started housing units during the period	354	162	470	320	1,108
Number of profit-recognised housing units during the period	363	289	676	583	1,013
Number of housing units in production at period end	2,087	1,947	2,087	1,947	2,304
Sales rate for housing units in production, %	67	82	67	82	75
Housing development for investors					
Number of sold housing units during the period		352		352	579
Number of started housing units during the period		221		221	448
Number of profit-recognised housing units during the period	158	132	158	132	132
Number of housing units in production at period end	448	379	448	379	606
Sales rate for housing units in production, %	100	100	100	100	100

¹⁾ Profit from land sales was SEK 91 M (15) in the quarter and SEK 374 M (61) in the first six months of 2017.

Net sales and operating margin



Germany

Bonava operates in the following regions: Berlin, Hamburg, the Baltic coast, Saxony, Rhine-Ruhr, Cologne/Bonn, Rhine-Main and Rhine-Neckar/Stuttgart. Bonava's offering focuses on consumers and investors through single-family houses and multi-family housing.



AM ALTEN BAHNHOF

Project start: Q2 2017

Location: Schwelm, Germany

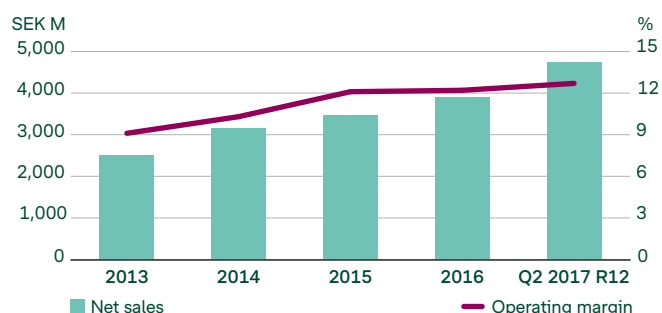
Housing category: Semi-detached houses and single-family houses

Number of housing units: 17

In Schwelm, you can go for a run in the morning and shopping in the evening. You're equally close to nature and the lively historic city centre. The housing units are environmentally friendly with roof-mounted solar panels for efficient and sustainable power supply.

	2017 Apr-Jun	2016 Apr-Jun	2017 Jan-Jun	2016 Jan-Jun	2016 Jan-Dec
Key financial figures					
Net sales, SEK M	1,084	688	1,686	846	3,907
Operating profit, SEK M	128	70	169	43	477
Operating margin, %	11.8	10.2	10.0	5.1	12.2
Capital employed at period end, SEK M	2,879	1,715	2,879	1,715	2,163
Return on capital employed, %	24.8	25.7	24.8	25.7	25.4
Building rights					
Building rights, at period end, number	7,900	6,600	7,900	6,600	6,400
of which, off-balance sheet building rights, number	3,500	2,700	3,500	2,700	2,700
Housing development for consumers					
Number of sold housing units during the period	329	316	549	507	1,288
Number of started housing units during the period	330	278	544	506	1,455
Number of profit-recognised housing units during the period	207	216	344	262	1,057
Number of housing units in production at period end	1,983	1,630	1,983	1,630	1,785
Sales rate for housing units in production, %	63	65	63	65	59
Housing development for investors					
Number of sold housing units during the period		70	76	70	645
Number of started housing units during the period		70	76	70	645
Number of profit-recognised housing units during the period	149		221		201
Number of housing units in production at period end	1,039	810	1,039	810	1,184
Sales rate for housing units in production, %	100	100	100	100	100

Net sales and operating margin



Finland

In Finland, Bonava operates in Helsinki, Espoo, Vanda, Turku, Tampere and Oulu. On this market, Bonava's offering focuses on consumers and investors, mainly in the form of multi-family housing.



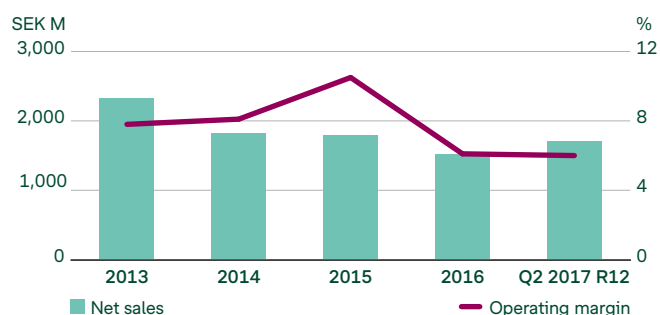
ESPO DAGSLÄNDA
Project start: Q2 2017
Location: Espoo, Finland
Housing category: Multi-family housing
Number of housing units: 63

Elegant and modern housing units in central Espoo with good local transport links and connections to Helsinki. Residents have access to a shared fitness and wellness centre, and are within walking distance of Helsinki golf club.

	2017 Apr-Jun	2016 Apr-Jun	2017 Jan-Jun	2016 Jan-Jun	2016 Jan-Dec
Key financial figures					
Net sales, SEK M	208	97	378	185	1 516
Operating profit, SEK M ¹⁾	-22	-36	-38	-49	92
Operating margin, %	-10.6	-37.1	-10.1	-26.5	6.1
Capital employed at period end, SEK M	1,386	1,352	1,386	1,352	1,092
Return on capital employed, %	7.6	5.1	7.6	5.1	7.1
Building rights					
Building rights, at period end, number	7,200	8,100	7,200	8,100	7,300
of which, off-balance sheet building rights, number	3,900	3,700	3,900	3,700	4,200
Housing development for consumers					
Number of sold housing units during the period	124	168	239	279	637
Number of started housing units during the period	198	272	287	272	522
Number of profit-recognised housing units during the period	11	50	79	82	658
Number of housing units in production at period end	809	922	809	922	567
Sales rate for housing units in production, %	55	54	55	54	50
Housing development for investors					
Number of sold housing units during the period	98	241	154	241	624
Number of started housing units during the period	98	241	154	241	624
Number of profit-recognised housing units during the period	108		108		
Number of housing units in production at period end	865	1,117	865	1,117	1,091
Sales rate for housing units in production, %	100	100	100	100	100

¹⁾ Profit from land sales was SEK 8 M (-4) in the quarter and SEK 8 M (-3) in the first six months of 2017.

Net sales and operating margin



Denmark–Norway

Bonava operates in Copenhagen, Denmark and Bergen, Norway. Bonava's offering includes multi-family housing and single-family houses and focuses on both consumers and investors.



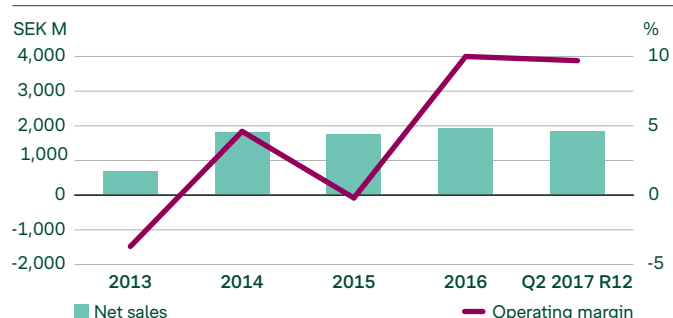
VEDBÆK PARK ØST
Project start: Q2 2017
Location: Vedbæk, Denmark
Housing category: Semi-detached houses
Number of housing units: 53

Modern and environmentally certified semi-detached houses close to nature. The neighbourhood is adjacent to a nature reserve with a small lake. The area is well suited to shared leisure pursuits.

	2017 Apr–Jun	2016 Apr–Jun	2017 Jan–Jun	2016 Jan–Jun	2016 Jan–Dec
Key financial figures					
Net sales, SEK M	169	208	373	464	1,931
Operating profit, SEK M ¹⁾	-16	-1	-9	6	194
Operating margin, %	-9.5	-0.5	-2.4	1.3	10.0
Capital employed at period end, SEK M	957	1 642	957	1 642	736
Return on capital employed, %	16.6	4.4	16.6	4.4	16.0
Building rights					
Building rights, at period end, number	1,600	1,200	1,600	1,200	900
of which, off-balance sheet building rights, number	400	400	400	400	300
Housing development for consumers					
Number of sold housing units during the period	95	103	204	167	299
Number of started housing units during the period	239	106	324	142	249
Number of profit-recognised housing units during the period	41	30	102	91	396
Number of housing units in production at period end	537	518	537	518	316
Sales rate for housing units in production, %	53	67	53	67	58
Housing development for investors					
Number of sold housing units for investors during the period					74
Number of started housing units for investors during the period					74
Number of profit-recognised housing units for investors during the period					
Number of housing units for investors in production at period end	74		74		74
Sales rate for housing units in production, %	100		100		100

¹⁾ Profit from land sales was SEK 1 M (11) in the quarter and SEK 1 M (12) in the first six months of 2017.

Net sales and operating margin



St. Petersburg

In Russia, Bonava is only active in St. Petersburg. The offering focuses on multi-family housing for consumers and investors.



ÖLAND 7

Project start: Q2 2015

Location: St. Petersburg

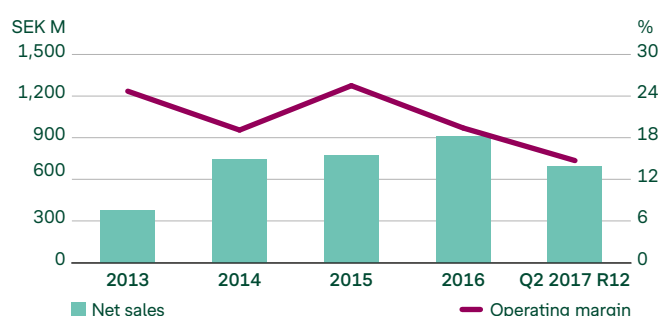
Housing category: Multi-family housing

Number of housing units: 221

Öland 7 was completed in the first quarter 2017, and almost all housing units have been sold. The neighbourhood has shared parking, extensive play areas and a nursery for 240 children. Good transport links to central St. Petersburg provide easy access by underground or bus.

	2017 Apr-Jun	2016 Apr-Jun	2017 Jan-Jun	2016 Jan-Jun	2016 Jan-Dec
Key financial figures					
Net sales, SEK M	123	365	250	471	915
Operating profit, SEK M	21	85	34	110	178
Operating margin, %	17.3	23.3	13.7	23.4	19.4
Capital employed at period end, SEK M	1,296	1,125	1,296	1,125	1,277
Return on capital employed, %	8.0	31.7	8.0	31.7	16.5
Building rights					
Building rights, at period end, number	3,600	4,200	3,600	4,200	4,400
of which, off-balance sheet building rights, number					
Housing development for consumers					
Number of sold housing units during the period	82	130	140	252	653
Number of started housing units during the period		72	813	363	363
Number of profit-recognised housing units during the period	178	265	351	437	1,026
Number of housing units for consumers in production at period end	1,176	1,416	1,176	1,416	800
Sales rate for housing units in production, %	17	48	17	48	61
Housing development for investors					
Number of sold housing units during the period					
Number of started housing units during the period					
Number of profit-recognised housing units during the period		74		74	74
Number of housing units for investors in production at period end					
Sales rate for housing units in production, %					

Net sales and operating margin



Consolidated Income Statement

SEK M	Note 1	2017 Apr–Jun	2016 Apr–Jun	2017 Jan–Jun	2016 Jan–Jun	Jul 2016– Jun 2017	2016 Jan–Dec
Net sales	4	3,387	2,703	6,289	4,581	15,201	13,492
Production costs		-2,779	-2,349	-5,007	-3,899	-12,343	-11,235
Gross profit		607	354	1,282	682	2,857	2,257
Selling and administrative expenses		-202	-167	-374	-299	-685	-610
Non-recurring costs ¹⁾			-23		-34	-51	-85
Operating profit	4	405	165	908	349	2,121	1,562
Financial income		3	3	5	6	12	13
Financial expenses		-61	-76	-118	-149	-261	-292
Net financial items		-58	-73	-113	-143	-249	-279
Profit after financial items	4	346	92	795	206	1,872	1,283
Tax on profit for the period		-75	-18	-173	-44	-408	-278
Net profit for the period		271	74	622	162	1,464	1,004
Attributable to:							
Bonava AB's shareholders		271	71	622	162	1,462	1,003
Non-controlling interests			3			2	2
Net profit for the period		271	74	622	162	1,464	1,004
Per share data before and after dilution							
Earnings per share, SEK		2.51	0.66	5.75	1.50	13.51	9.26
Cash flow from operating activities, SEK		-2.80	-2.30	-12.52	-7.16	1.22	6.54
Shareholders' equity, SEK		55.76	44.68	55.76	44.68	55.76	52.25
No. of shares at the end of the period, millions		107.9	108.4	107.9	108.4	107.9	108.1

¹⁾ Activities relating to Bonava becoming an independent company.

Consolidated statement of comprehensive income

SEK M	Note 1	2017 Apr-Jun	2016 Apr-Jun	2017 Jan-Jun	2016 Jan-Jun	Jul 2016- Jun 2017	2016 Jan-Dec
Profit for the period		271	74	622	162	1,464	1,004
<i>Items that have been or may be reclassified to profit or loss for the period</i>							
Translation differences in the period in translation of foreign operations		-44	43	-19	62	17	98
Hedging exchange-rate risk in foreign operations			-33		-52	-21	-73
Tax related to items that have been or may be reclassified to profit or loss for the period			7		12	4	16
Other comprehensive income for the period		-44	17	-19	21	1	41
Comprehensive income for the period		227	91	603	183	1,465	1,045
<i>Attributable to:</i>							
Bonava AB's shareholders		227	89	603	184	1,462	1,042
Non-controlling interests			3			2	4
Total comprehensive income for the period		227	91	603	183	1,465	1,045

Condensed consolidated Balance Sheet

SEK M	Note 1	2017 30 Jun	2016 30 Jun	2016 31 Dec
ASSETS				
Fixed assets		835	852	933
Current assets				
Properties held for future development		5,949	5,304	5,035
Ongoing housing projects		8,821	8,507	7,898
Completed housing units		689	610	733
Current receivables		2,234	1,674	1,552
Cash and cash equivalents	2	331	934	619
Total current assets		18,024	17,029	15,836
TOTAL ASSETS		18,859	17,881	16,770
SHAREHOLDERS' EQUITY				
Shareholders' equity attributable to parent company shareholders		6,016	4,845	5,648
Non-controlling interests		5	7	5
Total shareholders' equity		6,021	4,852	5,652
LIABILITIES				
Non-current liabilities				
Non-current interest-bearing liabilities	2	2,959	2,264	2,245
Other non-current liabilities		365	219	271
Non-current provisions		722	734	803
Total non-current liabilities		4,045	3,217	3,319
Current liabilities				
Current interest-bearing liabilities	2	2,761	3,869	2,236
Other current liabilities		6,031	5,944	5,562
Total current liabilities		8,793	9,813	7,799
Total liabilities		12,838	13,030	11,117
TOTAL EQUITY AND LIABILITIES		18,859	17,881	16,770

Condensed changes in shareholders' equity, Group

SEK M	Shareholders' equity attributable to parent company shareholders	Non-controlling interests	Total shareholders' equity
Opening shareholders' equity, 1 January 2016	4,672	60	4,732
Comprehensive income for the period	1,042	4	1,045
Transactions with non-controlling interests ¹⁾	5	-59	-55
Dividend	-15		-15
Transactions with shareholders	-12		-12
Purchase of treasury shares	-45		-45
Performance-based incentive program	2		2
Closing shareholders' equity, 31 December 2016	5,648	5	5,652
Opening shareholders' equity, 1 January 2017	5,648	5	5,652
Comprehensive income for the period	603		603
Dividend	-205		-205
Purchase of treasury shares	-30		-30
Performance-based incentive program	1		1
Closing shareholders' equity, 30 June 2017	6,016	5	6,021

¹⁾ According to a profit-sharing agreement between Bonava Deutschland GmbH and NCC AB, NCC AB will waive dividends and receive fixed compensation of EUR 1.3 M annually instead. The reported amount 2016 pertains to the fair value of five years' payment.

Condensed consolidated Cash Flow Statement

SEK M	2017 Apr-Jun	2016 Apr-Jun	2017 Jan-Jun	2016 Jan-Jun	Jul 2016- Jun 2017	2016 Jan-Dec
OPERATING ACTIVITIES						
Profit after financial items	346	92	795	206	1,872	1,283
Adjustments for items not included in cash flow	192	-25	109	-14	125	2
Tax paid	-73	-29	-137	-76	-258	-197
Cash flow from operating activities before changes in working capital	466	38	767	115	1,739	1,087
Cash flow from changes in working capital						
Divestments of housing projects	3,130	2,310	5,203	3,799	12,211	10,807
Investments in housing projects	-3,617	-3,012	-7,130	-5,406	-13,262	-11,538
Other changes in working capital	-281	415	-192	715	-555	352
Cash flow from changes in working capital	-768	-288	-2,119	-892	-1,606	-379
Cash flow from operating activities	-302	-249	-1,352	-776	132	708
INVESTING ACTIVITIES						
Cash flow from investing activities	-26	-36	-55	-85	-143	-173
CASH FLOW BEFORE FINANCING	-327	-285	-1,406	-861	-9	536
FINANCING ACTIVITIES						
Capital contribution from NCC		5,051		5,051		5,051
Repayment of loans to NCC		-6,012		-6,012		-6,012
Borrowing		2,059		2,059		2,059
Dividend paid	-205		-205		-220	-15
Purchase of treasury shares	-30		-30		-75	-45
Change in interest-bearing financial liabilities	113	-656	1,261	-87	-375	-1,724
Change in long-term interest-bearing receivables	6	35	6	33	25	52
Change in current interest-bearing receivables	75	92	89	154	44	108
Cash flow from financing activities	-40	569	1,122	1,197	-600	-525
CASH FLOW FOR THE PERIOD	-369	284	-285	336	-611	10
Cash and cash equivalents at the beginning of the period	704	640	619	585	934	585
Exchange rate difference in cash and cash equivalents	-5	10	-3	13	7	23
CASH AND CASH EQUIVALENTS AT END OF PERIOD	331	934	331	934	331	619

Until its IPO (June 2016), Bonava had short-term financing from NCC Treasury AB, so debt amortisation has been recognised gross in the Cash Flow Statement.

Notes

NOTE 1 Accounting principles

This Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting, the Swedish Annual Accounts Act and recommendation RFR 1 Supplementary Accounting Rules for Groups from the Swedish Financial Reporting Board.

The accounting policies applied in the preparation of this Interim Report apply to all periods and comply with the accounting policies presented in Note 1 Significant accounting policies in Bonava's Annual Report 2016, pages 92–96. These policies are also available at www.bonava.com.

In these accounting principles, IFRS 15 Revenues from contracts with customers, and IFRS 16, Leasing are described. Bonava's assessments regarding the effects of the implementation of IFRS 15 and IFRS 16 remains unchanged.

NOTE 2 Specification of net debt

SEK M	2017 30 Jun	2016 30 Jun	2016 31 Dec
Non-current interest-bearing receivables		98	79
Current interest-bearing receivables	79	20	84
Cash and cash equivalents	331	934	619
Total	410	1,052	782
Non-current interest-bearing liabilities	2,959	2,264	2,245
Current interest-bearing liabilities	2,761	3,869	2,236
Total	5,720	6,133	4,481
Net debt	5,311	5,080	3,699
<i>of which, attributable to Swedish tenant-owner associations and Finnish housing companies</i>			
Interest-bearing liabilities	4,410	3,860	3,677
Cash and cash equivalents	126	151	53
Net debt in tenant-owner associations and housing companies	4,285	3,709	3,624
Other net debt	1,026	1,371	75

NOTE 3 Pledged assets, contingent liabilities and guarantee obligations

SEK M	2017 30 Jun	2016 30 Jun	2016 31 Dec
Assets pledged			
<i>For own liabilities:</i>			
Property mortgages	1,703	1,239	1,699
Restricted bank funds	49	23	22
Total pledged assets	1,752	1,262	1,721
Contingent and guarantee liabilities			
<i>Own contingent liabilities:</i>			
Deposits and concession fees ¹⁾	953	2,327	600
Other guarantees			118
<i>Held jointly with other companies</i>			
Liabilities in partnerships and limited partnerships		24	23
Total contingent and guarantee liabilities	953	2,351	741

¹⁾ Deposit guarantees constitute collateral for investments and concession fees paid to tenant-owner associations formed by Bonava Sverige AB. The guarantee is to be restored one year after the final acquisition cost of the tenant-owner association's building has been established.

NOTE 4 Reporting by operating segments

Apr–Jun 2017, SEK M	Sweden	Germany	Finland	Denmark-Norway	St. Petersburg	Other and eliminations	Total
Net sales	1,762	1,084	208	169	123	42	3,387
Operating profit	342	128	-22	-16	21	-48	405
Net financial items							-59
Profit after financial items							346
Capital employed at period end	4,955	2,879	1,386	957	1,296	337	11,810
Apr–Jun 2016, SEK M	Sweden	Germany	Finland	Denmark-Norway	St. Petersburg	Other and eliminations	Total
Net sales	1,307	688	97	208	365	38	2,703
Operating profit	167	70	-36	-1	85	-121	165
Net financial items							-73
Profit after financial items							92
Capital employed at period end	4,631	1,715	1,352	1,642	1,125	520	10,984
Jan–Jun 2017, SEK M	Sweden	Germany	Finland	Denmark-Norway	St. Petersburg	Other and eliminations	Total
Net sales	3,527	1,686	378	373	250	76	6,289
Operating profit	835	169	-38	-9	34	-83	908
Net financial items							-113
Profit after financial items							795
Capital employed at period end	4,955	2,879	1,386	957	1,296	337	11,810
Jan–Jun 2016, SEK M	Sweden	Germany	Finland	Denmark-Norway	St. Petersburg	Other and eliminations	Total
Net sales	2,558	846	185	464	471	57	4,581
Operating profit	428	43	-49	6	110	-189	349
Net financial items							-143
Profit after financial items							206
Capital employed at period end	4,631	1,715	1,352	1,642	1,125	520	10,984
Jan–Dec 2016, SEK M	Sweden	Germany	Finland	Denmark-Norway	St. Petersburg	Other and eliminations	Total
Net sales	5,040	3,907	1,516	1,931	915	182	13,492
Operating profit	920	477	92	194	178	-298	1,562
Net financial items							-279
Profit after financial items							1,283
Capital employed at period end	4,350	2,163	1,092	736	1,277	515	10,134

Other and eliminations, SEK M	Net sales					Operating profit				
	2017 Apr–Jun	2016 Apr–Jun	2017 Jan–Jun	2016 Jan–Jun	2016 Jan–Dec	2017 Apr–Jun	2016 Apr–Jun	2017 Jan–Jun	2016 Jan–Jun	2016 Jan–Dec
Bonava's Head Office ¹⁾	54	6	101	27	69	-50	-72	-86	-102	-227
Sales, Latvian property portfolio				4	4		-51		-90	-91
Operations in Estonia and Latvia	49	44	83	49	176	3	3	4	3	20
Adjustments and eliminations	-61	0	-108	-24	-67					
TOTAL	42	50	76	57	182	-48	-121	-83	-189	-298

¹⁾ Activities relating to Bonava becoming an independent company generated costs of SEK 85 M in 2016, of which SEK 55 M relates to head office. No such costs were reported in the first six months 2017. For the period Jan–Jun 2016, costs of SEK 29 M were reported for Head Office.

NOTE 5 Fair value of financial instruments

The following table presents disclosures about the measurement of fair value for financial instruments that are continuously measured at fair value in Bonava's Balance Sheet. The fair value measurement divides assets into three levels. No transfers between levels were made in the period.

Bonava has no financial instruments in levels 1 and 3.

Derivatives in level 2 comprise currency forward contracts used for hedging purposes. The measurement of fair value for currency forward contracts is based on published forward rates in an active market.

SEK M	2017 30 Jun	2016 30 Jun	2016 31 Dec
Derivative instruments used for hedging purposes			17
Derivative instruments not used for hedging purposes	51		38
Total assets	51		55
Derivative instruments not used for hedging purposes	62	90	102
Total liabilities	62	90	102

The fair value of non-current and current interest-bearing liabilities has been judged not to differ materially from carrying amount. For financial instruments recognised at amortised cost; accounts receivables, other receivables, cash and cash equivalents, accounts payable and other interest-free liabilities, fair value is considered equal to carrying amount. Bonava judges that there is no material difference between the book value and fair value of instruments recognised at amortised cost.

NOTE 6 Transactions with related parties

In the period until 9 June 2016, Bonava constituted the NCC Housing operating segment of NCC AB. After this date, all transactions with NCC have been priced on a commercial basis.

Joint ventures and joint operations are categorised as related parties. The Nordstjernan Group and companies in the Axel Johnson Group are also categorised as related parties. Transactions with these parties were not material and have not been specified below.

Transactions with NCC, SEK M	2017 Jan-Jun	2016 Jan-Jun	2016 Jan-Dec
Sales	2		19
Purchases	1,476	1,977	3,314
Financial expenses		87	87
Current receivables			1
Non-current interest-bearing liabilities	33	43	45
Current interest-bearing liabilities	12	12	12
Accounts payable	170	87	258
Contingent liabilities	206	23	76

Parent Company

JANUARY-JUNE 2017

The parent company comprises the operations of Bonava AB. The company's net sales amounted to SEK 101 M (28).

Profit/loss after financial items was SEK 109 M (-31).

PARENT COMPANY CONDENSED INCOME STATEMENT

SEK M	Note 1	2017 Jan-Jun	2016 Jan-Jun	2016 Jan-Dec
Net sales		101	28	69
Selling and administrative expenses		-179	-125	-295
Operating profit		-78	-97	-226
Profit from participations in Group companies		169	123	291
Financial income		92	25	148
Financial expenses		-74	-83	-188
Profit/loss after financial items		109	-31	24
Appropriations				-5
Profit/loss before tax		109	-31	19
Tax on profit/loss for the period		59	34	27
Profit for the period		168	3	45

PARENT COMPANY CONDENSED BALANCE SHEET

SEK M	2017 30 Jun	2016 30 Jun	2016 31 Dec
Assets			
Fixed assets	2,351	1,567	1,955
Current assets	4,219	6,209	4,259
Total assets	6,571	7,777	6,214
Shareholders' equity and liabilities			
Shareholders' equity	5,144	5,263	5,210
Provisions	1	3	1
Long-term liabilities	613	34	609
Current liabilities	813	2,476	395
Total equity and liabilities	6,571	7,777	6,214

Notes to the Parent Company

Income Statement and Balance Sheet

NOTE 1 Accounting policies

The company has prepared its Interim Report pursuant to the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation *RFR 2 Accounting for Legal Entities*.

The accounting policies applied when preparing this Interim Report are applicable for all periods and correspond to the accounting policies presented in Note 1 Significant accounting policies in Bonava's Annual Report 2016, pages 92–96 and 117. These are also available at www.bonava.com.

TRANSACTIONS WITH RELATED PARTIES

Apart from transactions with the NCC Group, no transactions with a material impact on the company's financial position and earnings have taken place between Bonava and related parties.

NOTE 2 Guarantees and contingent liabilities

SEK M	2017 30 Jun	2016 30 Jun	2016 31 Dec
Guarantees	17,778	10,216	15,485

Quarterly summary

sector-related key figures for the Group

Group	2017 Apr–Jun	2016 Apr–Jun	2017 Jan–Jun	2016 Jan–Jun	2016 Jan–Dec
Building rights, at period end	29,400	28,600	29,400	28,600	28,000
Of which, off-balance-sheet building rights	11,600	9,500	11,600	9,500	10,500
Housing development for consumers					
Profit-recognised housing units during the period	865	895	1,668	1 524	4,371
Housing starts during the period	1,343	974	2,660	1,721	4,041
Housing units sold during the period	921	1,100	1,639	1,888	4,311
Housing units under construction, at period end	7,071	6,710	7,071	6,710	6,158
Sales rate for housing units under construction, %	53	64	53	64	63
Reservation rate for housing units under construction, %	6	5	6	5	6
Completion rate for housing units under construction, %	43	53	43	53	49
Completed housing units, not recognised in profit, at period end	452	348	452	348	373
Housing units for sale (ongoing and completed), at period end	3,462	2,543	3,462	2,543	2,440
Housing development for investors					
Profit-recognised housing units during the period	416	206	488	206	407
Housing starts during the period	99	532	231	532	1,791
Housing units sold during the period	99	663	231	663	1,922
Housing units under construction, at period end	2,426	2,306	2,426	2,306	2,955
Sales rate for housing units under construction, %	100	100	100	100	100
Completion rate for housing units under construction, %	46	58	46	58	40

	2017 Apr–Jun	2016 Apr–Jun	2017 Jan–Jun	2016 Jan–Jun	2016 Jan–Dec
Housing development for consumers					
Housing units under construction, at beginning of period	6,619	6,767	6,158	6,432	6,432
Housing starts during the period	1,343	974	2,660	1,721	4,041
Profit-recognised housing units during the period	-865	-895	-1,668	-1,524	-4,371
Decrease (+)/increase (-) in completed housing units, not profit recognised at period end	-26	-136	-79	81	56
Housing units under construction, at period end	7,071	6,710	7,071	6,710	6,158
Housing development for investors					
Housing units under construction, at beginning of period	2,773	2,209	2,955	2,346	2,346
Housing starts during the period	99	532	231	532	1,791
Profit-recognised housing units during the period	-416	-264	-488	-264	-407
Time offset between completion and profit recognition in Bonava Finland ¹⁾	-30	-171	-272	-308	-775
Housing units under construction, at period end	2,426	2,306	2,426	2,306	2,955

¹⁾ Up until 2015, Bonava Finland has profit-recognised housing units for investors at the time of production start. Thus, there has been a time offset between years regarding profit-recognition and completion of housing units for investors. From 2016, profit-recognition of housing units to investors in Bonava Finland is made at the time of completion.

Key financial ratios at period-end

SEK M unless otherwise stated	2017 30 Jun	2016 30 Jun	2016 31 Dec
Return on capital employed, % ¹⁾	18.7	14.1	14.6
Interest coverage ratio, multiple ¹⁾	8.2	4.9	5.4
Equity/assets ratio, %	31.9	27.1	33.7
Interest bearing liabilities/total assets, %	30.3	34.3	26.7
Net debt	5,311	5,080	3,699
Net debt, excl. tenant-owner associations/housing companies	1,026	1,371	75
Debt/equity ratio, multiple	0.9	1.0	0.7
Debt/equity ratio excl. tenant-owner associations/housing companies, multiple	0.2	0.3	0.0
Capital employed at period-end	11,810	10,984	10,134
Average capital employed	11,096	10,760	10,412
Capital turnover rate, multiple ¹⁾	1.4	1.3	1.3
Share of risk-bearing capital, %	32.0	27.1	33.8
Dividend, SEK per share			3.80
Average interest rate at period-end, % ²⁾	2.94	3.01	3.75
Average period of fixed interest, years ²⁾	0.2	0.2	0.3
Average interest rate at period-end, % ³⁾	1.33	1.32	1.35
Average period of fixed interest, years ³⁾	0.1	0.1	0.1

¹⁾ The figures are calculated on a rolling 12-month basis.

²⁾ Excluding loans with Swedish tenant-owner associations and Finnish housing companies.

³⁾ Regarding loans with Swedish tenant-owner associations and Finnish housing companies.

SIGNATURE

Stockholm, Sweden 18 July, 2017

The Board of Directors and President declare that the Interim Report provides a true and fair overview of the Parent Company's and the Group's operations, financial position and earnings, and also describes significant risks and uncertainties facing the Parent Company and the companies included in the Group.

Carl Engström
Chairman

Viveca Ax:son Johnson
Board member

Åsa Hedenberg
Board member

Samir Kamal
Board member

Mikael Norman
Board member

Magnus Rosén
Board member

Anna Wallenberg
Board member

Joachim Hallengren
President

This report has not been reviewed by the company's auditors.

For more information, please contact
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FINANCIAL CALENDAR

- Interim Report Jan-Sep: 24 October 2017
- Year-end-report: 2 February 2018

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PUBLICATION

This information is such that Bonava AB (publ) is obliged to disclose pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person above, on 18 July 2017 at 08.00 a.m. CET.

INVITATION TO ANALYST AND MEDIA MEETING

Joachim Hallengren, CEO and Ann-Sofi Danielsson, CFO, will present the Interim Report. The presentation will be concluded with a Q&A session.

Place: Lindhagensgatan 72, Stockholm, Sweden.

Time: 18 July 2017, 10.00–11.00 a.m. Registration and coffee from 09.30 a.m.

Please notify Bonava of your intention to attend at ir@bonava.com, or by phone on +46 (0) 737 739 845

To participate in the telephone conference and ask questions, please call one of the following telephone numbers:

DE: +49 211 971 90 086

UK: +44 203 194 05 50

SE: +46 8 519 993 55

US: +1 855 269 26 05

The presentation will also be streamed live at bonava.com/investor-relations. The presentation will be available for download from the web-site, and it will be possible to view a video of the presentation after the event.