



Press release 23 March 2020

Board of Directors of Bonava withdraws earlier proposal regarding 2019 dividend

At an extra meeting of the Board of Directors of Bonava AB on 23 March, it was decided to withdraw the earlier dividend proposal to the Annual General Meeting (AGM) of SEK 3.00 per share. The background to the decision is the great degree of uncertainty prevailing as a consequence of the effects of the confirmed spread of the coronavirus (covid-19).

The decision to withdraw the dividend proposal was taken despite Bonava's highly favourable financial position and does not reflect any change in the company's dividend policy nor its future ambitions to pay dividends. Since, however, it is currently not possible to assess the duration or depth of the current crisis and its effects, the Board of Directors finds that consideration for the company's long-term development and future business opportunities justifies today's decision.

Previous experience has also shown that many opportunities present themselves when the market situation begins to stabilise, and that being among the players with the financial and operational strength to capitalise on these opportunities is important.

Because Bonava's accounting policy entails that profit is only recognised when housing units are completed and handed over, even small delays in logistical and production chains could mean the deferral of sales and profit to a subsequent quarter. Since Bonava usually completes a large share of its production in the fourth quarter and recognizes this in profit in the same quarter, this means, for example, that profit – in part or in its entirety – could be deferred to the start of 2021.

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Bonava is a leading residential development company in Northern Europe that has been creating homes and neighbourhoods since the 1930s. With its 2,300 co-workers, Bonava operates in Germany, Sweden, Finland, Denmark, Norway, St. Petersburg, Estonia and Latvia, with sales of SEK 15.5 billion in 2019. Bonava's shares are listed on Nasdaq Stockholm.

For more information about us, visit: www.bonava.com



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