



Q2 2019

Joachim Hallengren, CEO
Ann-Sofi Danielsson, CFO

Solid improvement in sales to consumers



Q2 in brief

- Increased n:o of sold units to consumers
- N:o sold units 1,038 (1,263)
- Low level of started units 499 (1,440)
- Net sales SEK 2,758 M (2,773)
- EBIT SEK 182 M (306), includes profit from land sales of SEK 62 M (93)
- EBIT margin 6.6% (11.0)

Good demand and improved profit excl. land sales



Jan – Jun in brief

- **No sold units to**
 - **Consumers 1,643 (1,558)**
 - **Investors 126 (407)**
- **Housing starts**
 - **Consumers 1,096 (1,252)**
 - **Investors 126 (407)**
- **Net sales SEK 5,595 M (4,411)**
- **EBIT SEK 347 M (349), includes profit from land sales of SEK 62 M (154)**

Solid demand in our markets



Consumers

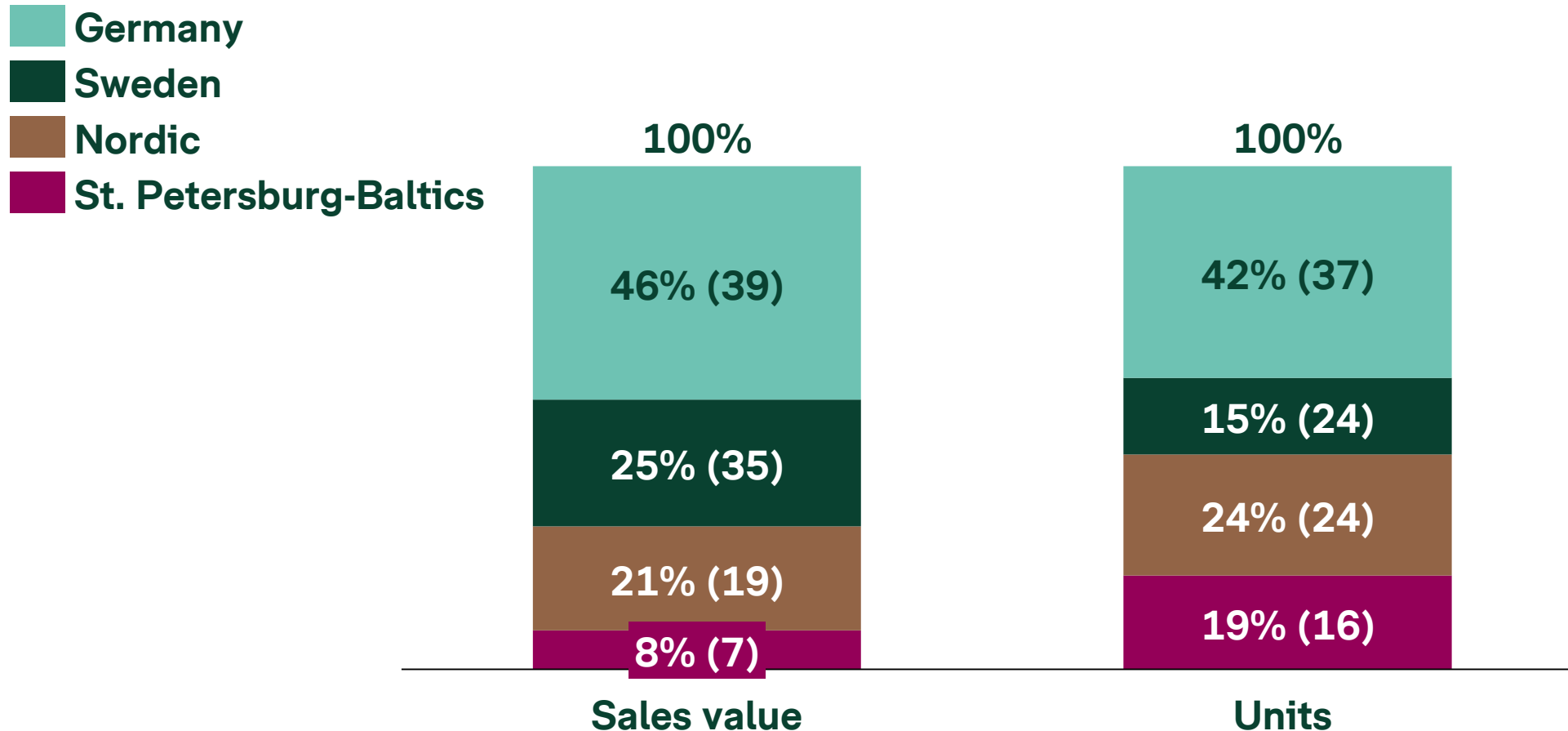
- Strong demand in Germany
- Swedish market showing signs of stabilisation
- Stable in Norway, cautious markets in Denmark and Finland
- Good demand in St. Petersburg and Baltics

Investors

- Strong demand in all markets

Continued growth in Germany

Ongoing production consumers and investors, June 2019 (June 2018)



Current projects



Multi-family homes in Island of Usedom, Germany

- **Im Kiefernain**
- **First phase in a total of 140 vacation apartments**
- **Situated in one of Germany's most popular tourist destinations at the Baltic sea coast**



Multi-family homes in Riga, Latvia

- **Turaidas 4**
- **63 apartments to consumers**
- **Affordable apartments in an area enabling an urban active lifestyle**

Current projects



Multi-family homes in Copenhagen, Denmark

- **Trikotageparken 1**
- **First phase in a total of 153 apartments**
- **Affordable housing located close to public transportation, schools and recreation**



Multi-family homes in Bergen, Norway

- **Gartnerlien 2**
- **29 apartments to consumers**
- **Housing with common orangery and small green houses, close to public transportation and shopping**



Q2 2019

Ann-Sofi Danielsson, CFO

Outcome financial objectives and dividend policy

ROCE

10-15%

11.8%

Equity to assets ratio

> 30%

29.9%

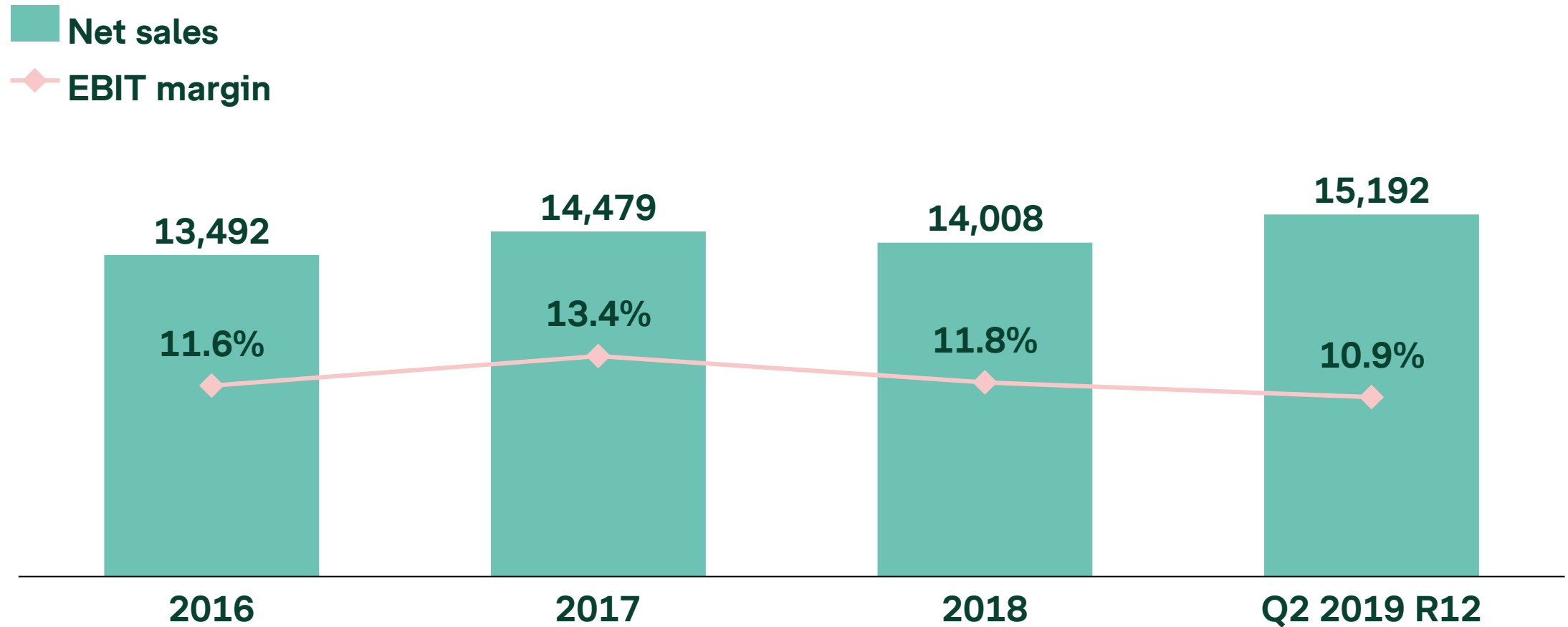
Dividend policy

> 40%

R12 EPS 11.81 SEK

Continued growth with good margin

Bonava Group, net sales (SEK M) and EBIT margin

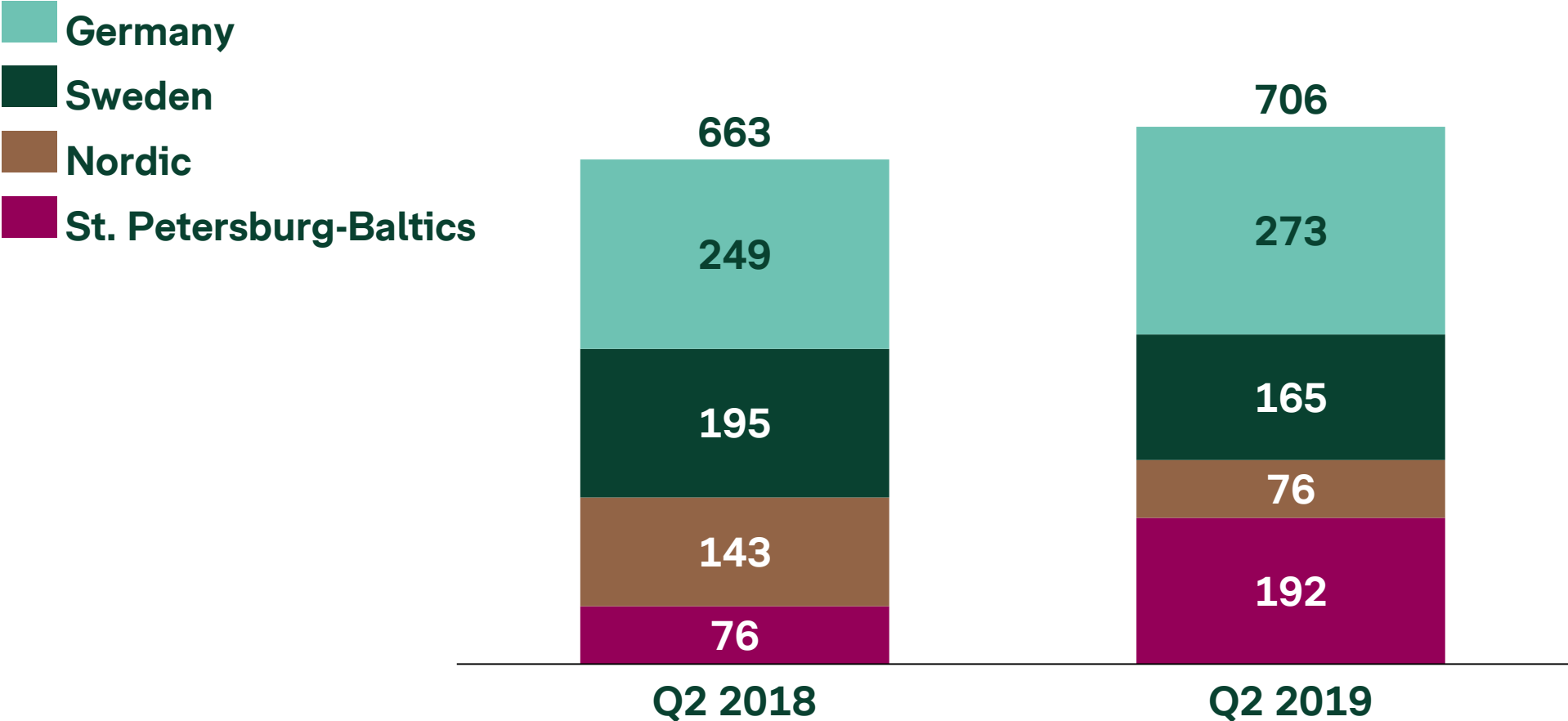


Solid net sales with lower EBIT in the quarter

	2019	2018	2019	2018	R12	2018
SEK M	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jul-Jun	Jan-Dec
Net sales	2,758	2,773	5,595	4,411	15,192	14,008
Gross profit	414	550	809	811	2,555	2,557
Selling and administrative expenses	-232	-244	-462	-462	-902	-903
EBIT	182	306	347	349	1,652	1,654
Net financial items	-22	-36	-53	-76	-118	-141
Profit after financial items	160	270	294	273	1,534	1,513
Tax on profit for the period	-41	-58	-74	-59	-264	-249
Tax %	25%	22%	25%	22%	17%	16%
Net profit	120	212	220	214	1,271	1,265

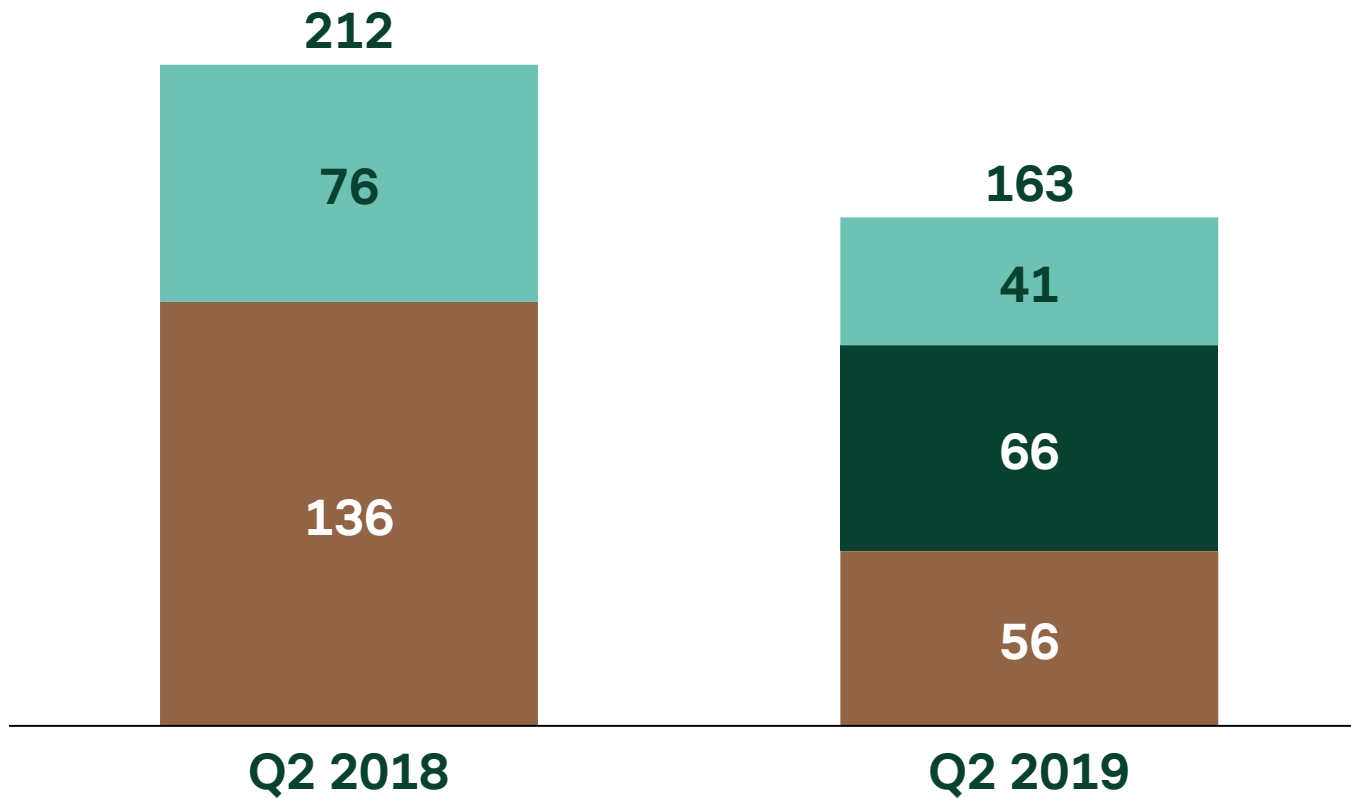
Increase of units recognised in Germany and St. Petersburg-Baltics

Recognised number of units to consumers



Units recognised to investors

Recognised number of units to investors

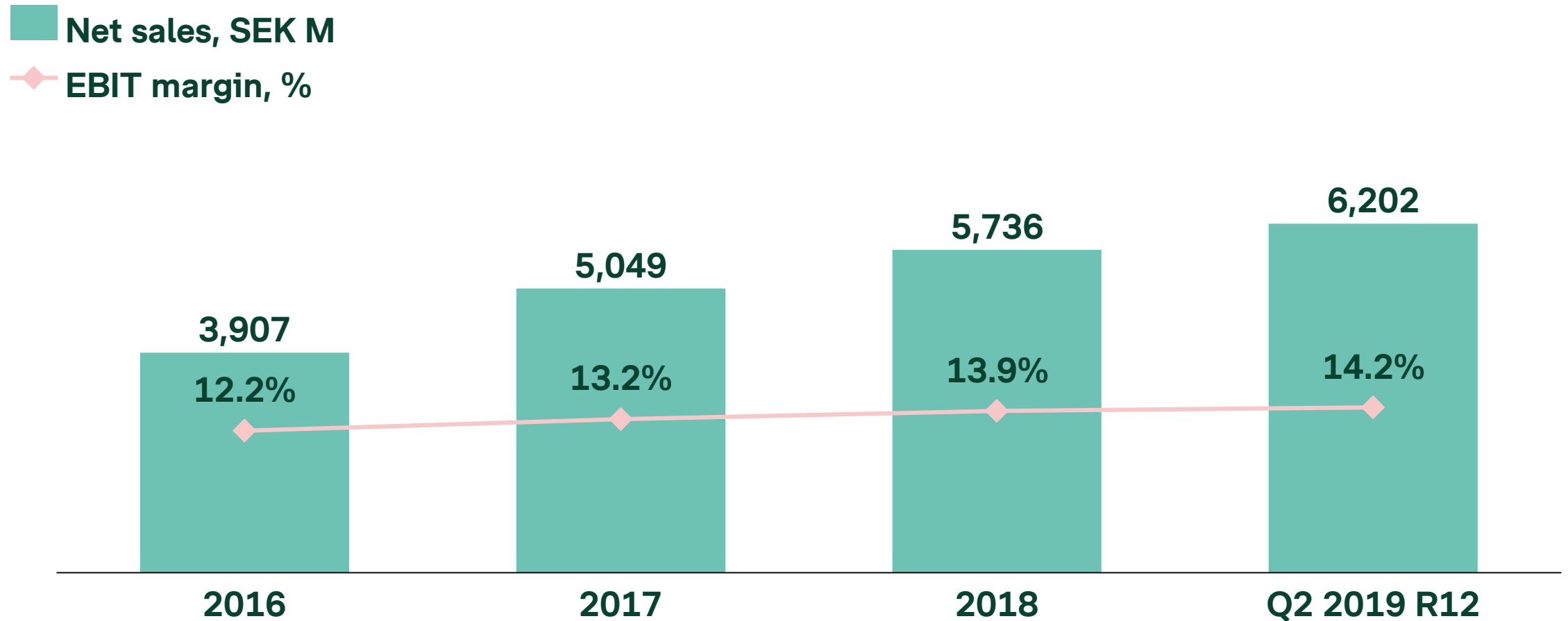


Higher profit in Germany and St. Petersburg-Baltics

	2019	2018	2019	2018	R12	2018
EBIT	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jul-Jun	Jan-Dec
Germany	145	101	172	86	882	796
Sweden	93	231	184	367	577	761
Nordic	-29	19	-27	-28	197	196
St. Petersburg-Baltics	33	8	138	28	217	108
Parent company and eliminations	-59	-53	-119	-104	-221	-206
Group EBIT	182	306	347	349	1,652	1,654

Solid net sales and stable profit margin

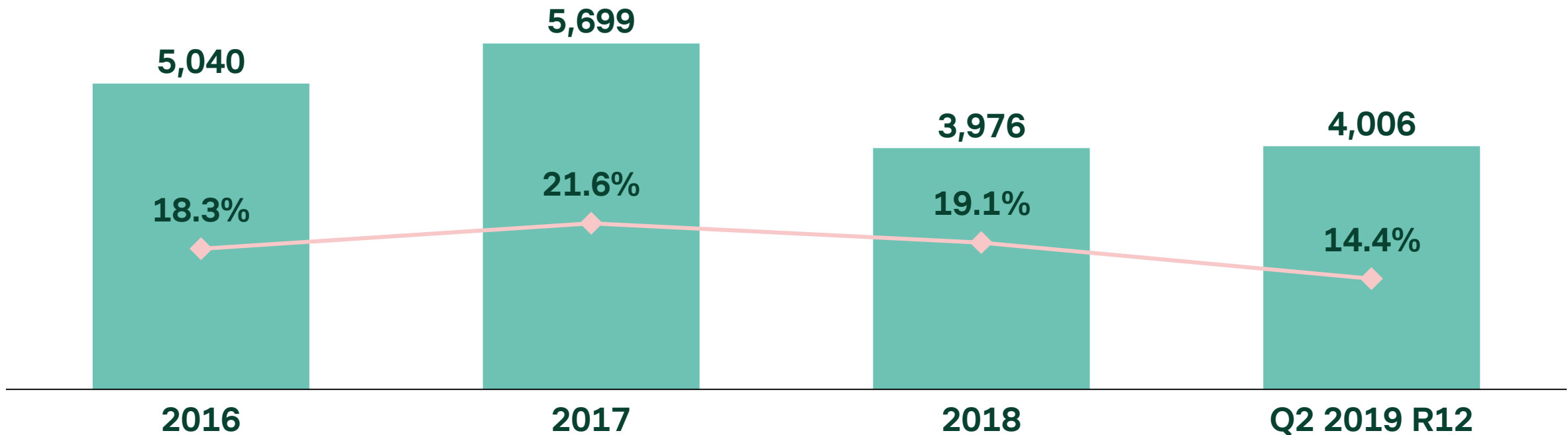
Germany



Market adaptation affecting margins

Sweden

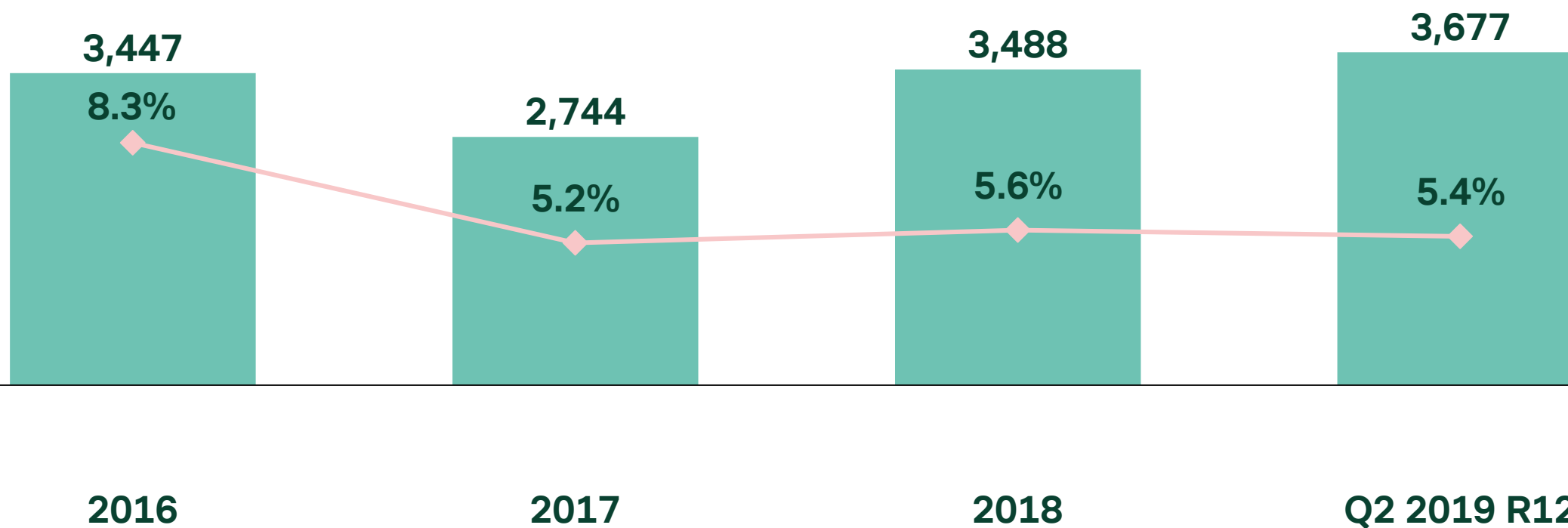
■ Net sales, SEK M
◆ EBIT margin, %



Stable margins in Nordic

Nordic

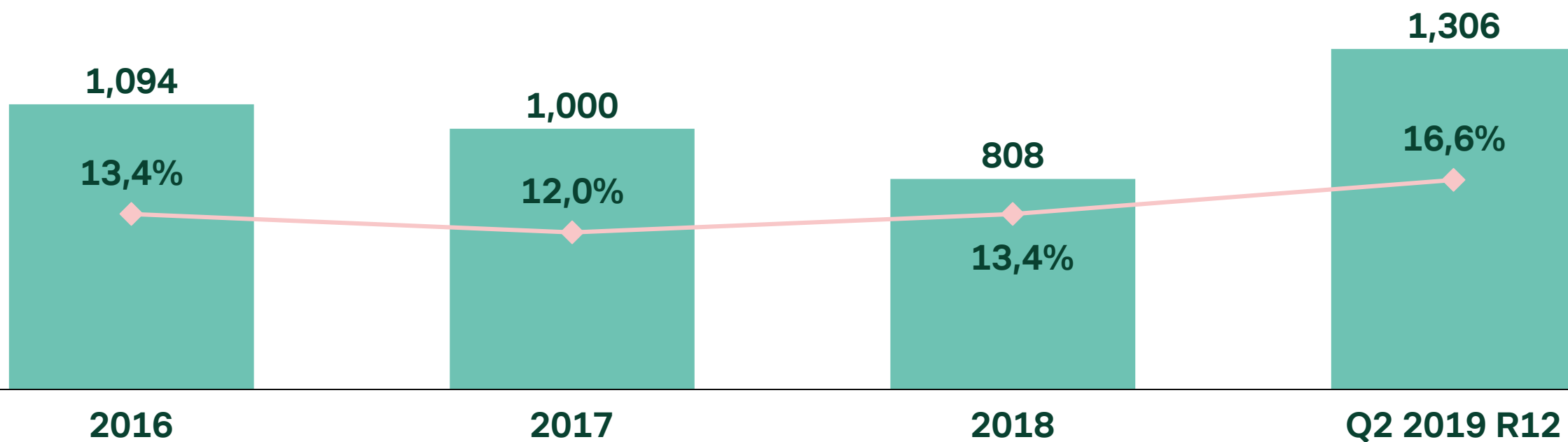
■ Net sales, SEK M
◆ EBIT margin, %



Volume and project efficiency improving profit margins

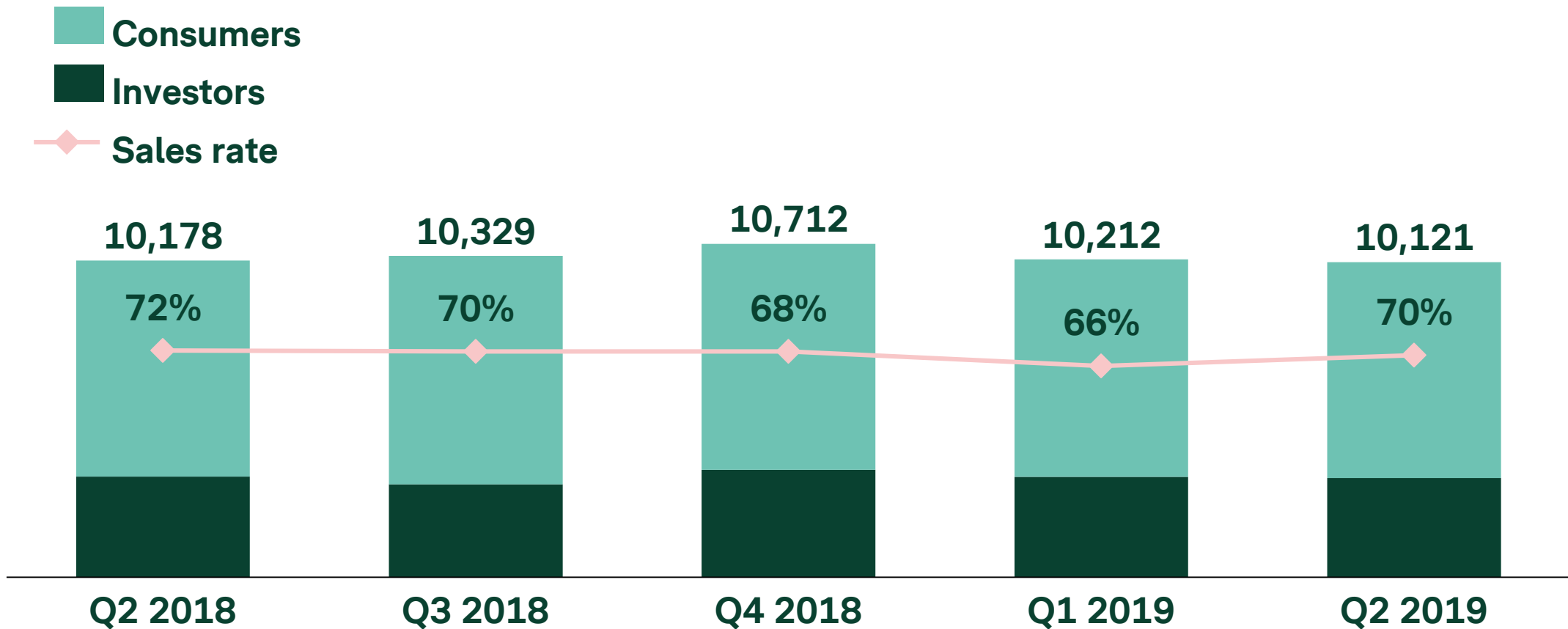
St. Petersburg-Baltics

■ Net sales, SEK M
◆ EBIT margin, %



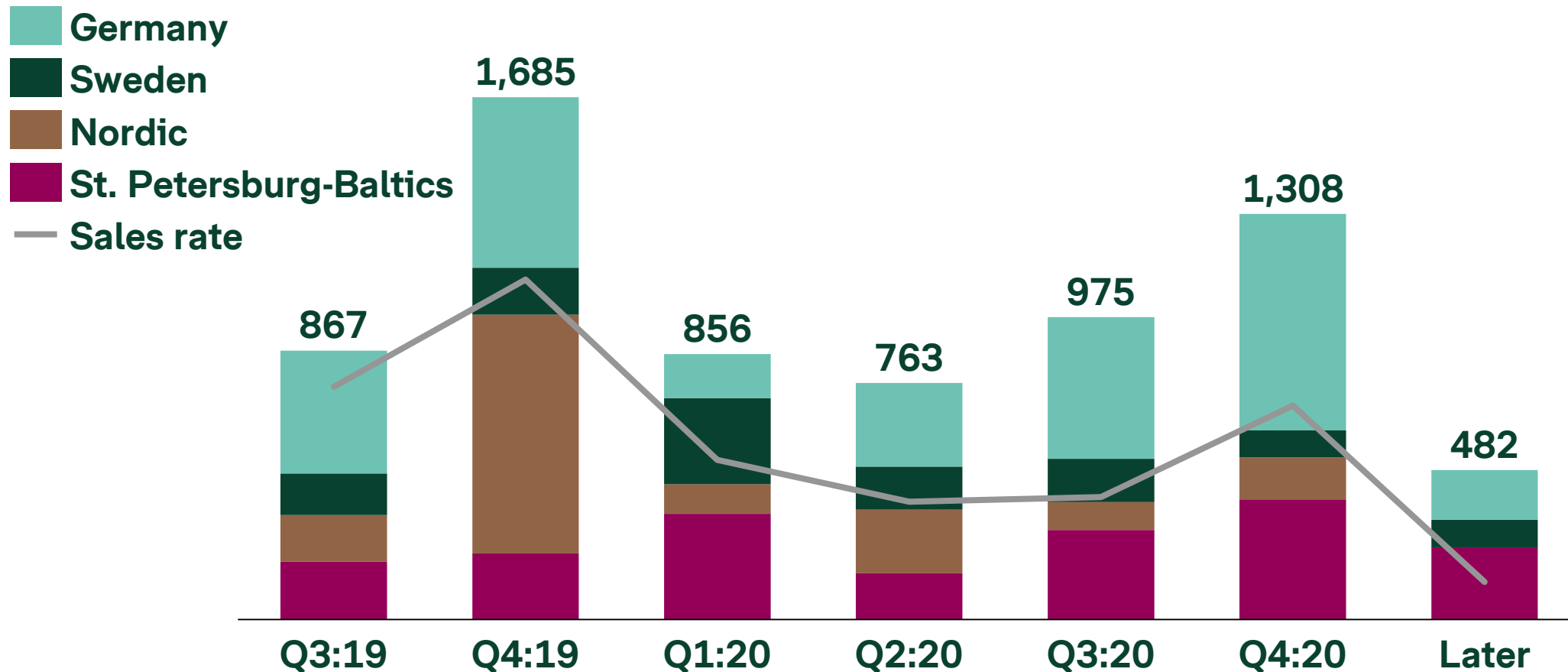
Continued stable sales rate

Units in production and sales rate



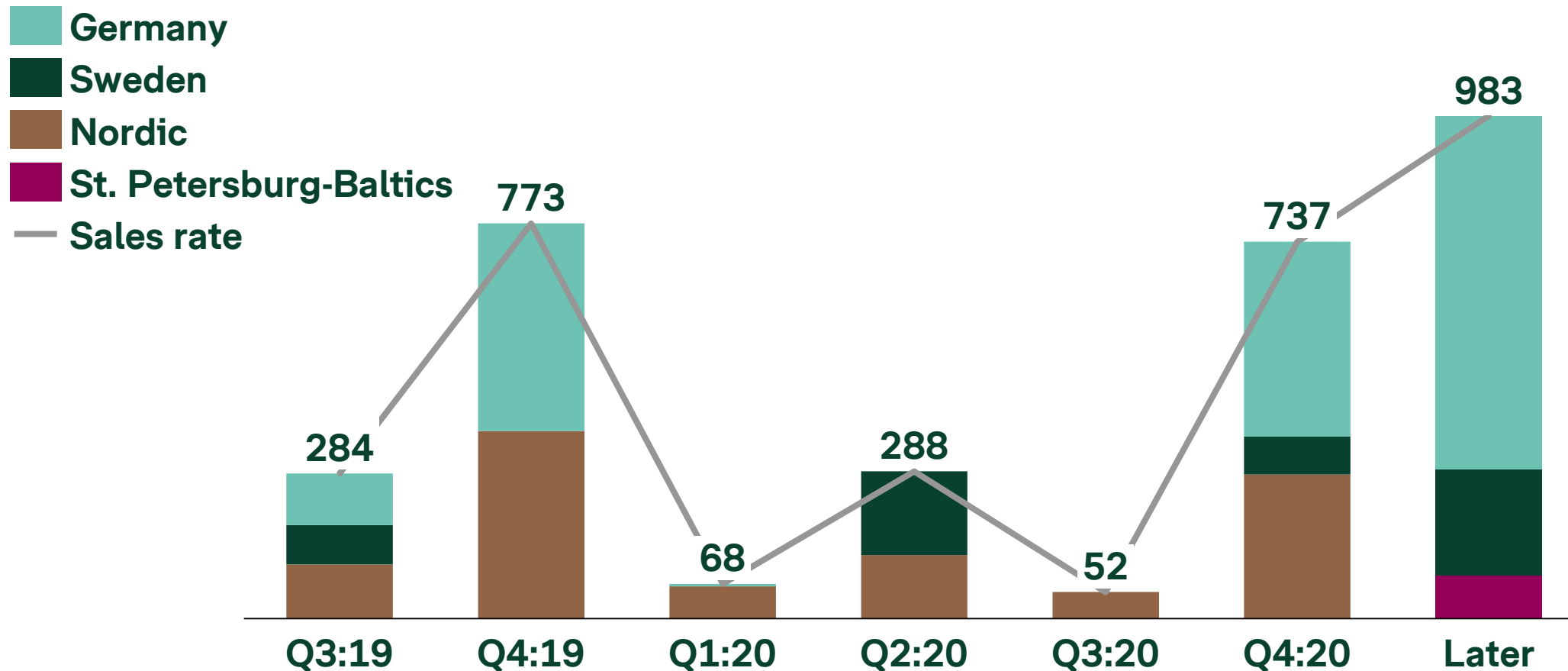
Many completions expected in Q4 19

Estimated completions of ongoing production, consumers



Majority of units to investors to be completed in Q4

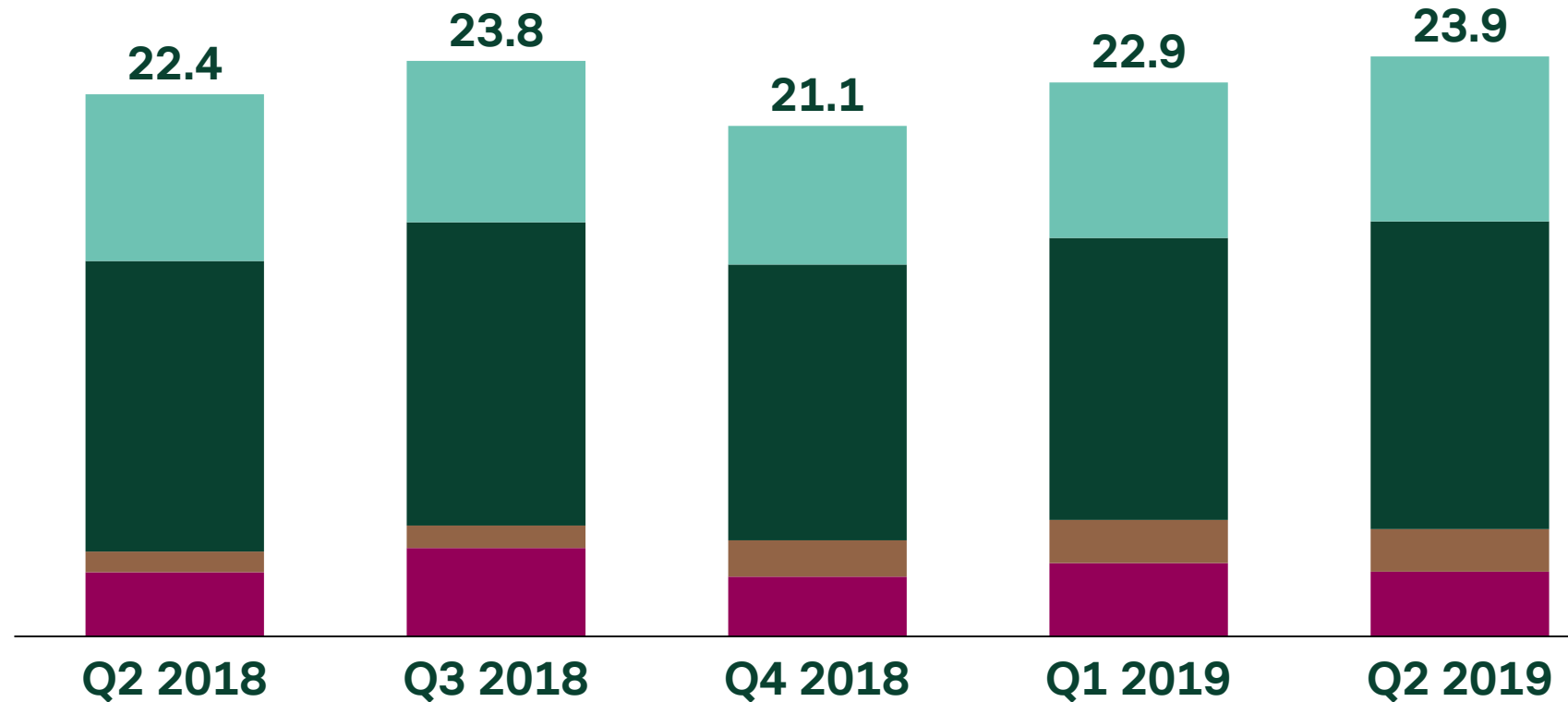
Estimated completions of ongoing production, investors



Increase in units in production

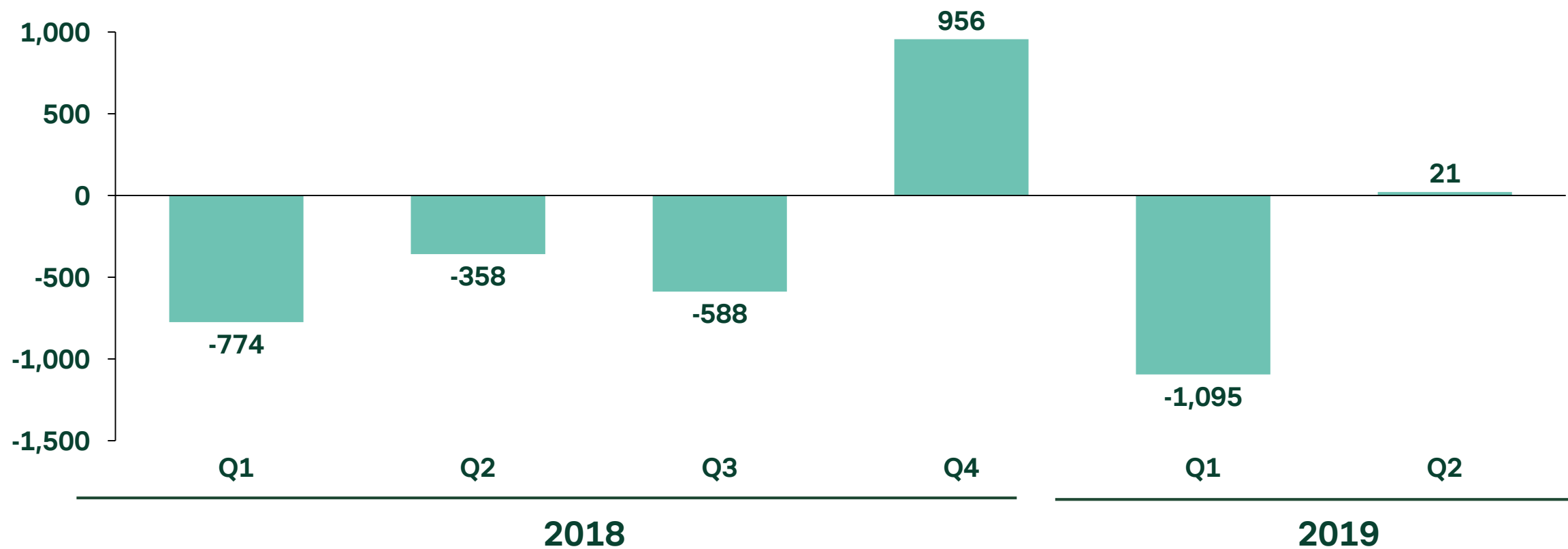
Total assets (SEK BN)

- Properties held for future development
- Housing units in production
- Completed housing units
- Other assets



Positive cashflow in the quarter

Cashflow before financing

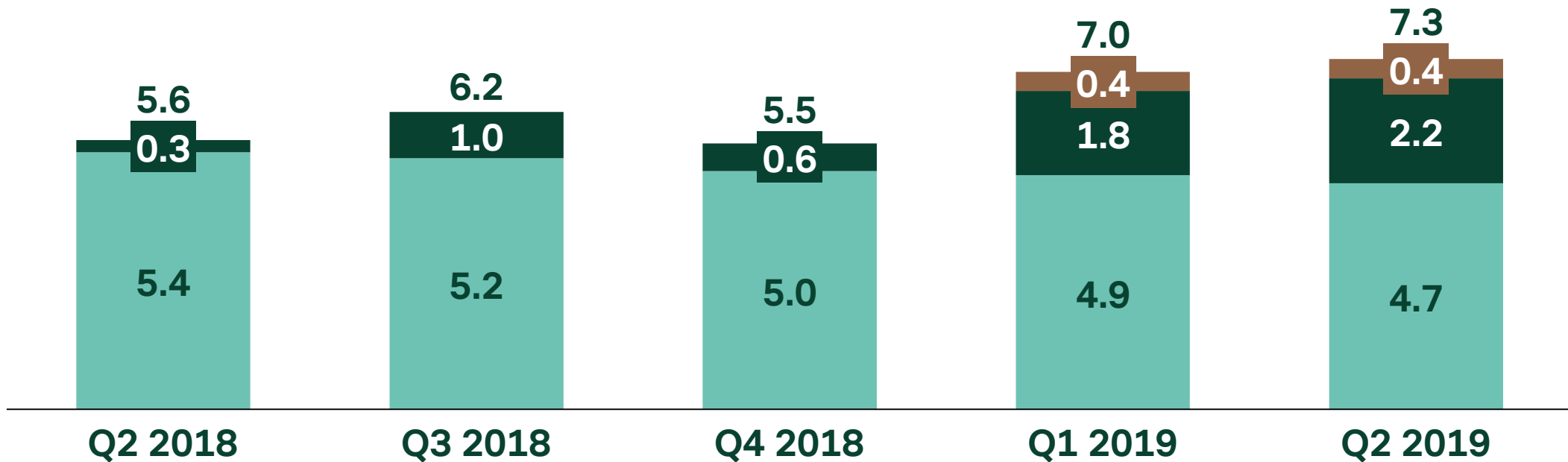


Positive cashflow in the quarter

	2019	2018	2019	2018	R12	2018
SEK M	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jul-Jun	Jan-Dec
Cash flow before changes in working capital	14	178	-101	-22	1,300	1,379
Divestments of housing projects	2,196	2,187	4,581	3,574	12,089	11,082
Investments in housing projects	-3,305	-3,882	-6,554	-6,600	-13,399	-13,445
Other changes in working capital	1,202	1,195	1,099	1,978	-525	354
Cash flow from operating activities	108	-323	-974	-1,070	-534	-630
Investing activities	-86	-35	-99	-62	-172	-135
Cash flow before financing	21	-358	-1,074	-1,132	-706	-764

Seasonally higher net debt in Q2

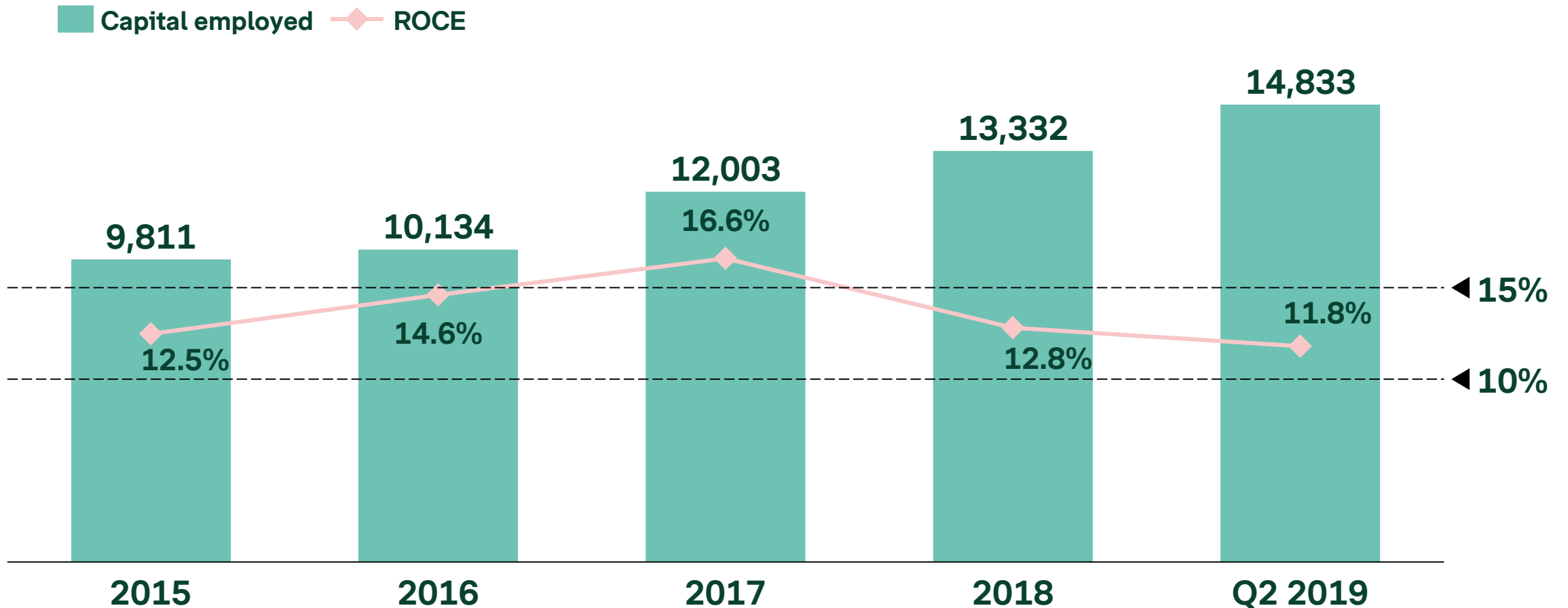
Net debt (SEK BN)



- Leasing debt according to IFRS 16, Leases
- Other net debt
- Net debt in tenant-owner associations/housing companies

Solid return on capital employed

Capital employed (SEK M) and return on capital employed



Summary



Diversified strategy enabling value creation



- Continued growth in Germany
- Increased n:o of sold units to consumers and good sales rate
- Lower level of started units, planned to accelerate in H2
- Solid demand from consumers and investors
- Strong financial position

Q&A

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BONAVA