



Q1 2019

Joachim Hallengren, CEO
Ann-Sofi Danielsson, CFO

Stable growth in a mixed market



Q1 in brief

- Increased sold units 731 (702)
- Increased started units 723 (219)
- Net sales SEK 2,837 M (1,639)
- EBIT SEK 165 M (43), includes profit from land sales of SEK 0 M (61)
 - EBIT margin 5.8% (2.6)
- Continued growth in Germany
- Strong performance in St. Petersburg-Baltics

Underlying demand in our markets



Consumers

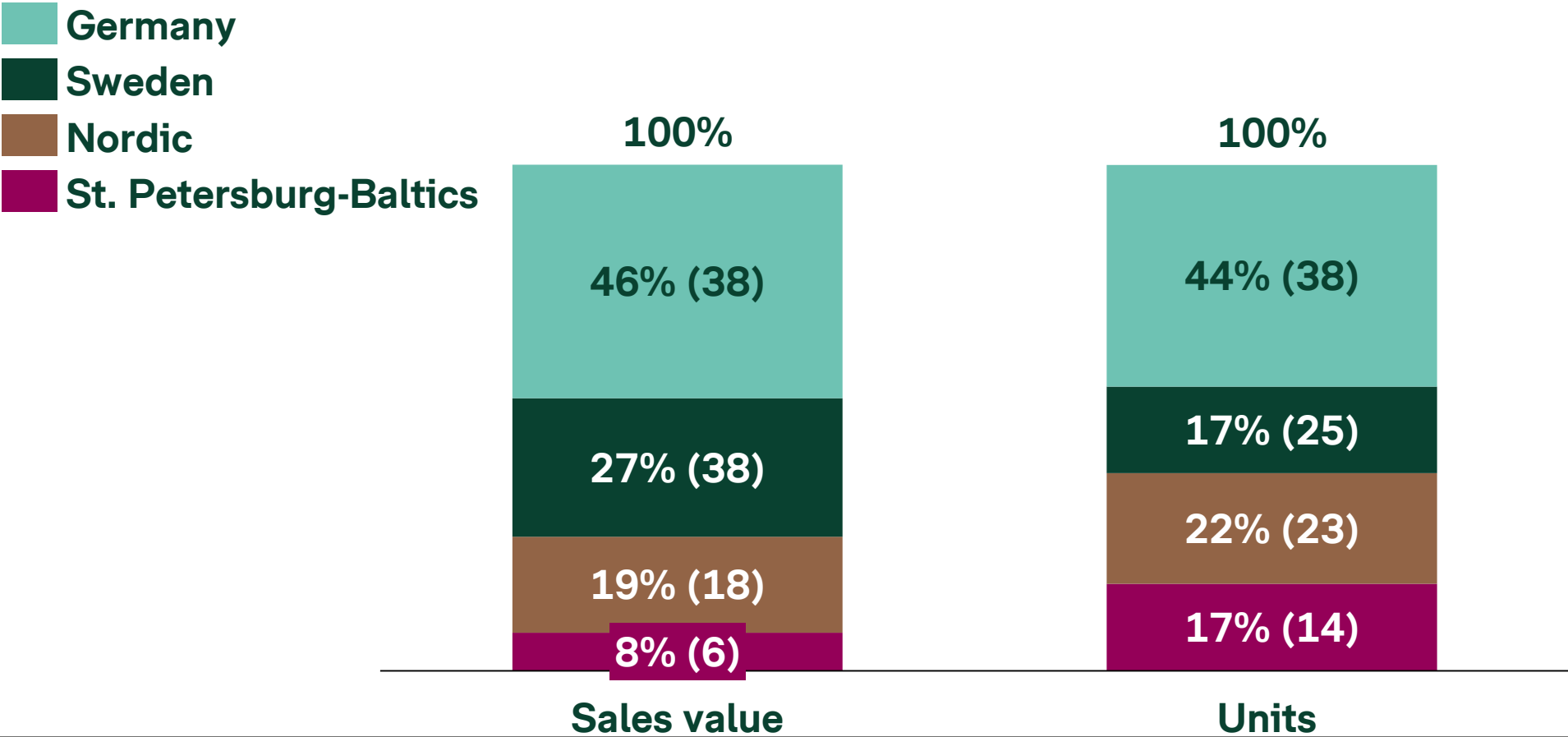
- Strong demand in Germany
- Challenging market in Sweden
- Cautious market in Denmark and Finland, stable in Norway
- Strong demand in St. Petersburg-Baltics

Investors

- Strong demand in all markets

Continued growth in Germany, while Swedish market remains challenging

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



Efficiencies and digitalisation are key



- **Industrialisation**
- **Modularisation**
- **Digitalisation**
- **Aggregated procurement**

Current projects



Single-family homes in Nacka, Sweden

- Ältadalen
- 13 tenant-owner homes to consumers
- Modern homes in a neighbourhood near nature and close to Stockholm city



Apartments in Riga, Latvia

- Starku Street
- 116 apartments to consumers
- Affordable apartments for people with an active lifestyle



Q1 2019

Ann-Sofi Danielsson, CFO

Outcome financial objectives and dividend policy

ROCE

10-15%

13.2%

Equity to assets ratio

> 30%

33.1%

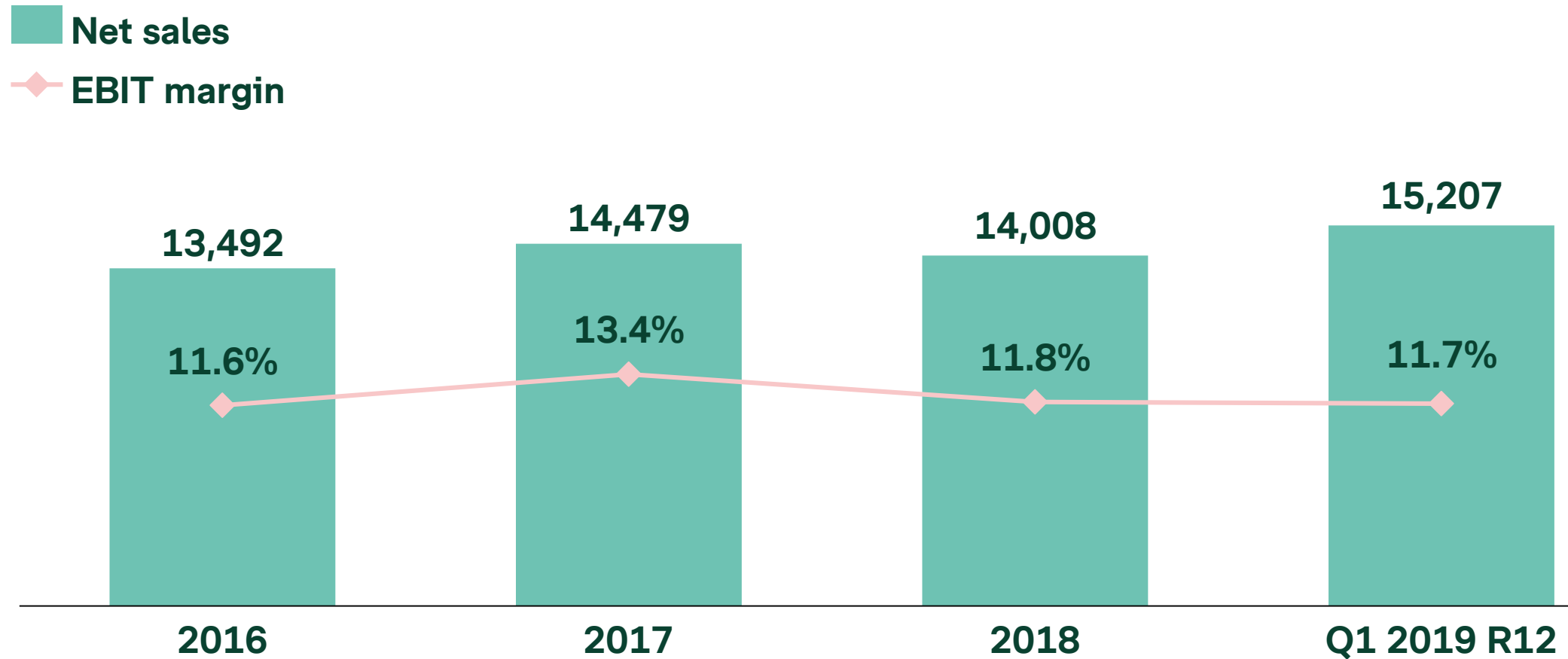
Dividend policy

> 40%

R12 EPS 12.65 SEK

Strong net sales and stable EBIT margin

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

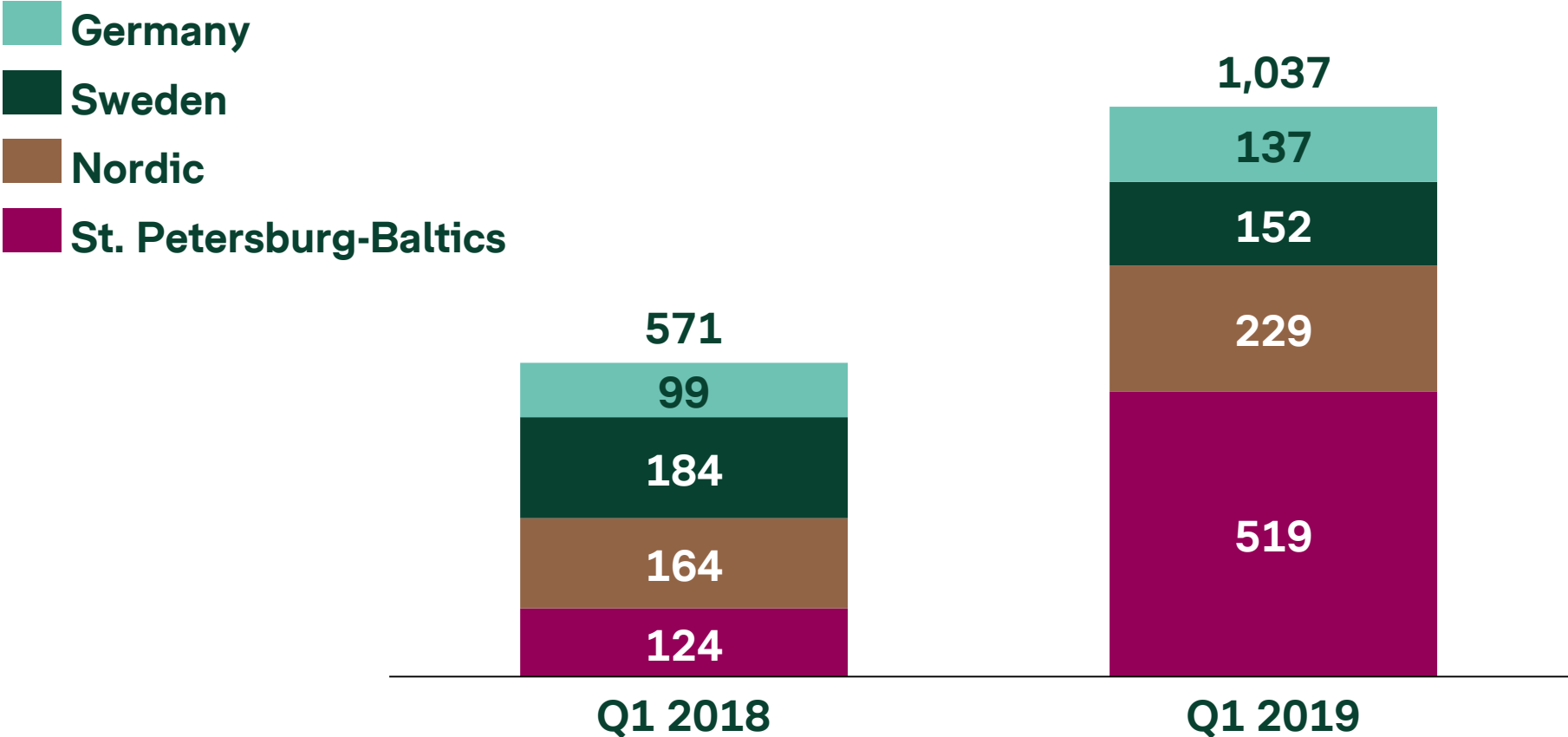


Increased net sales

	2019	2018	R12	2018
SEK M	Jan-Mar	Jan-Mar	Apr-Mar	Jan-Dec
Net sales	2,837	1,639	15,207	14,008
Gross profit	395	261	2,691	2,557
Selling and administrative expenses	-230	-218	-914	-903
EBIT	165	43	1,777	1,654
Net financial items	-32	-40	-132	-141
Profit after financial items	134	3	1,644	1,513
Tax on profit for the period	-34	-1	-282	-249
Tax %	25%	22%	17%	16%
Net profit	100	2	1,363	1,265

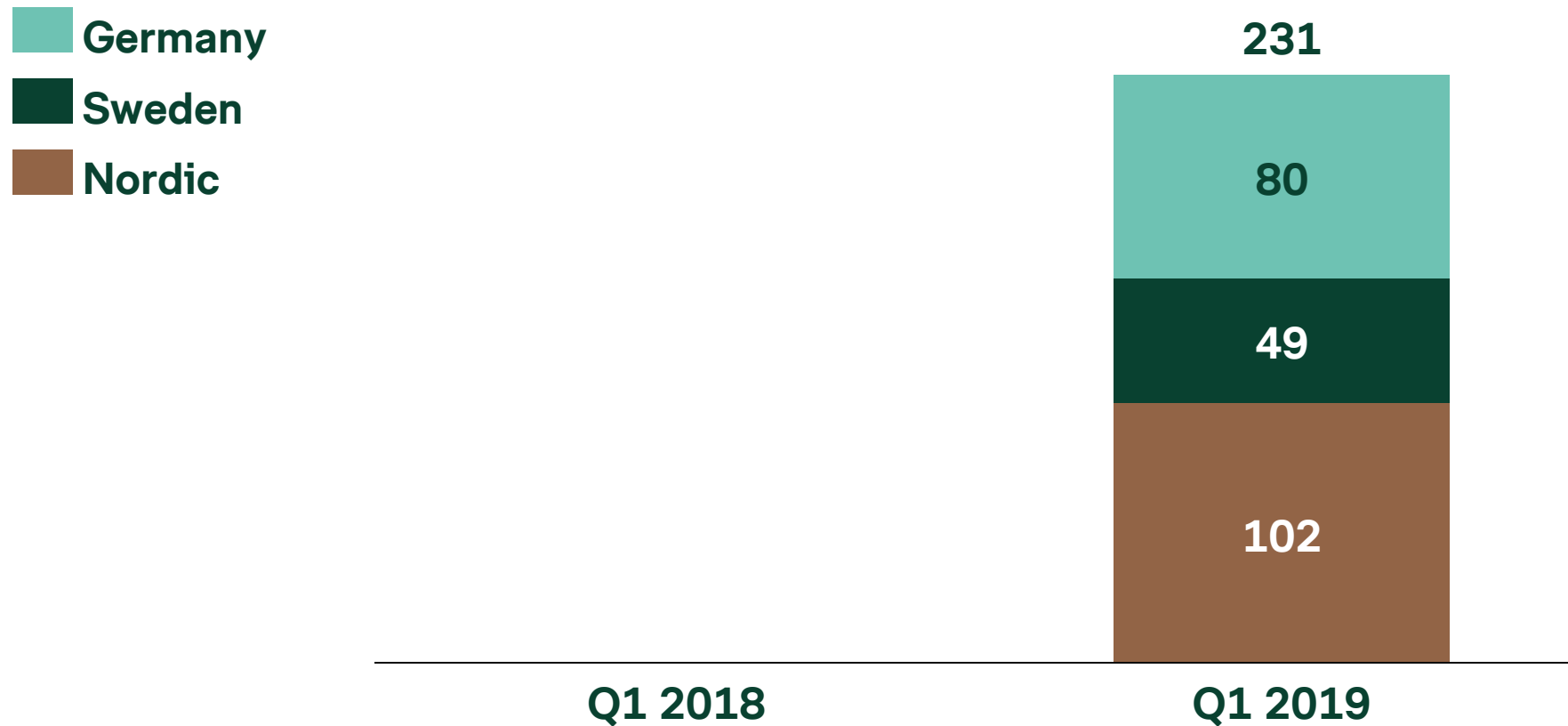
Many units recognised in St. Petersburg-Baltics

Recognised number of units to consumers



Recognised units to investors

Recognised number of units to investors



Administrative expenses in line with last year

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Strong EBIT in St. Petersburg-Baltics

	2019	2018	R12	2018
EBIT	Jan-Mar	Jan-Mar	Apr-Mar	Jan-Dec
Germany	28	-15	838	796
Sweden	91	137	715	761
Nordic	2	-47	245	196
St. Petersburg-Baltics	105	20	193	108
Parent company and eliminations	-60	-51	-215	-206
Group EBIT	165	43	1,777	1,654

Lower financial costs

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Normalised tax rate

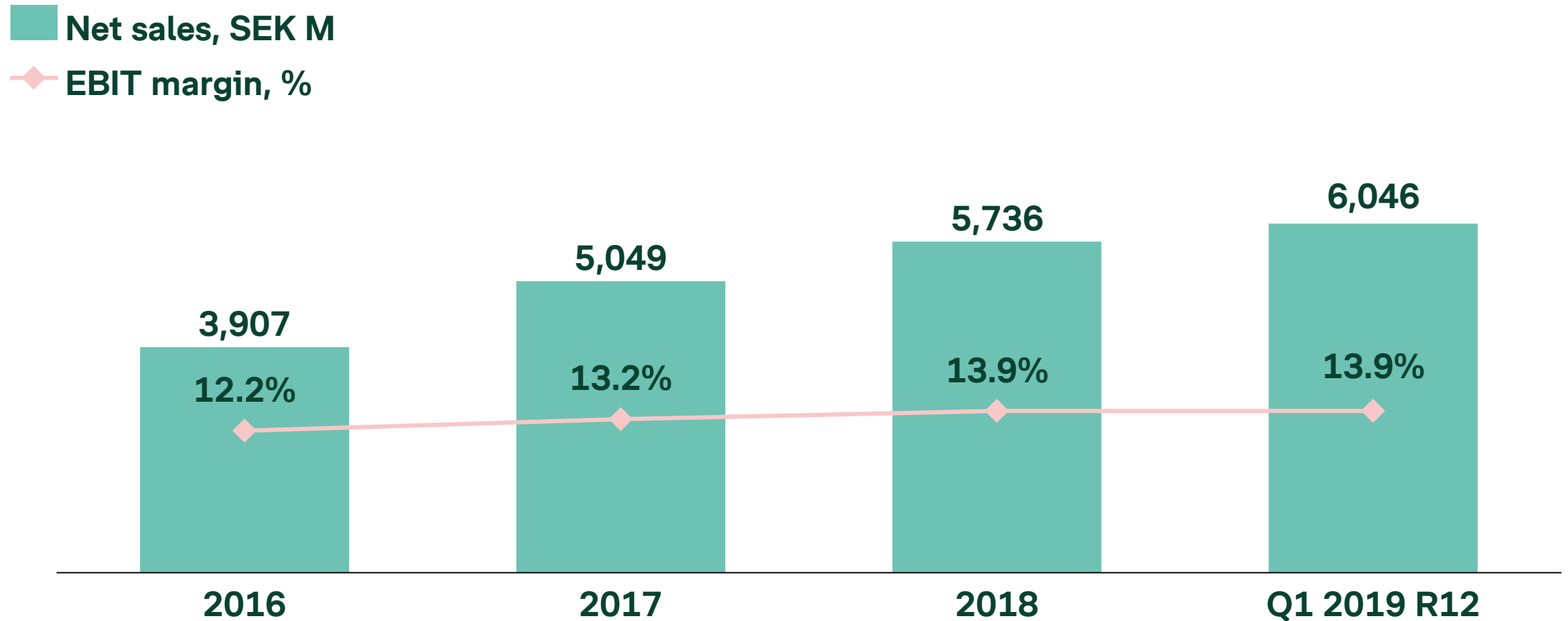
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Increased net sales and good margin

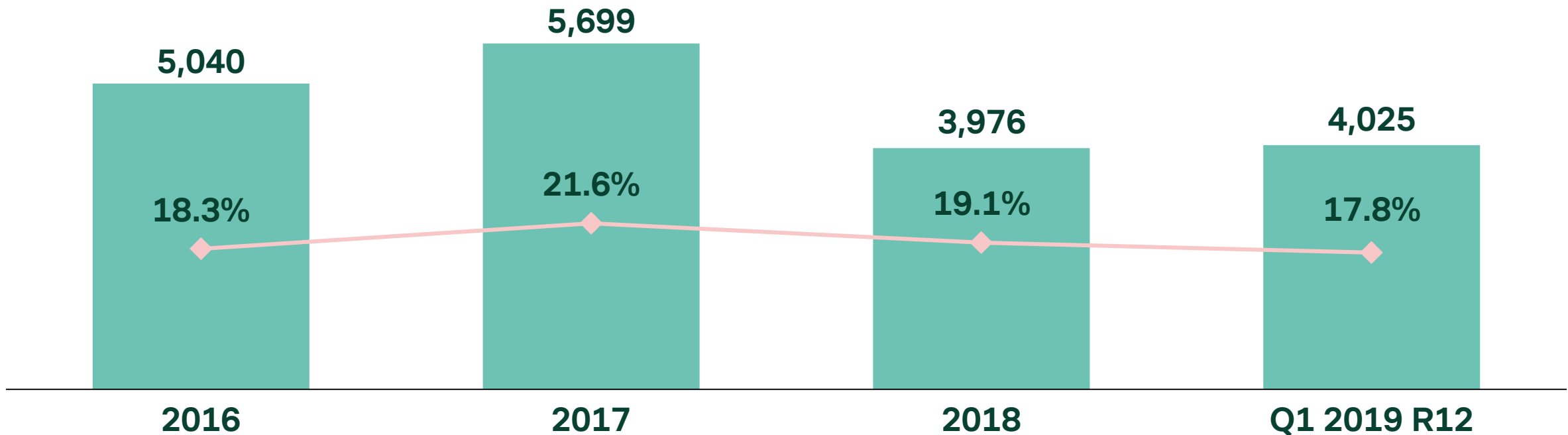
Germany



Solid net sales and margin

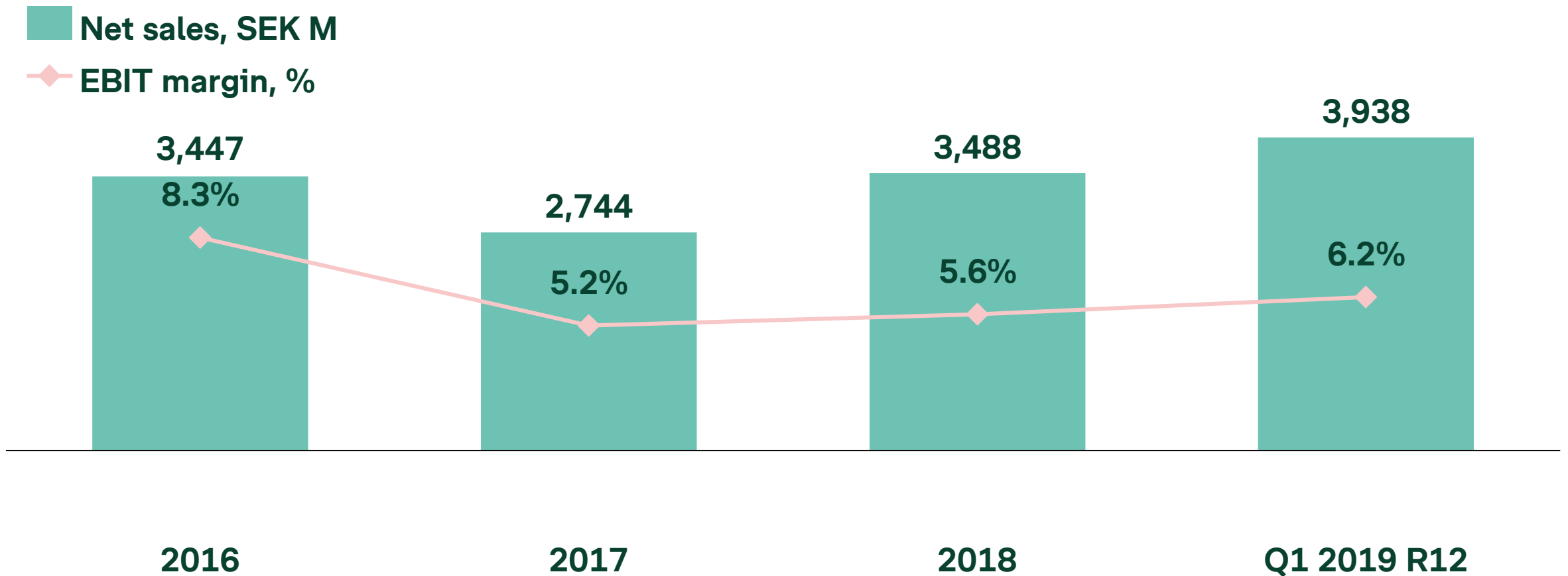
Sweden

■ Net sales, SEK M
◆ EBIT margin, %



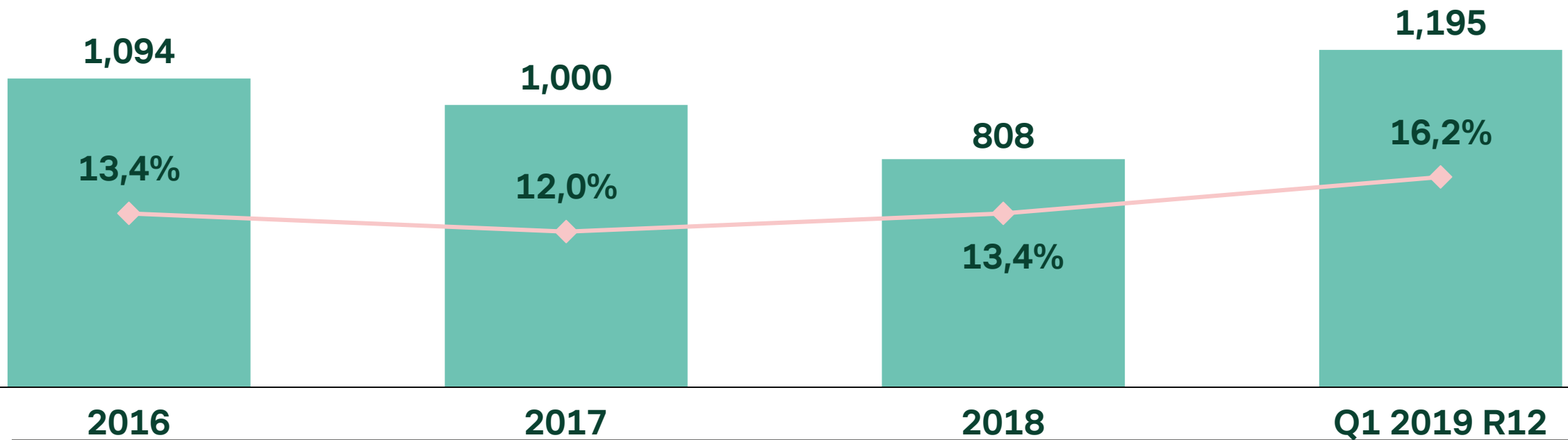
Recovering profitability

Nordic



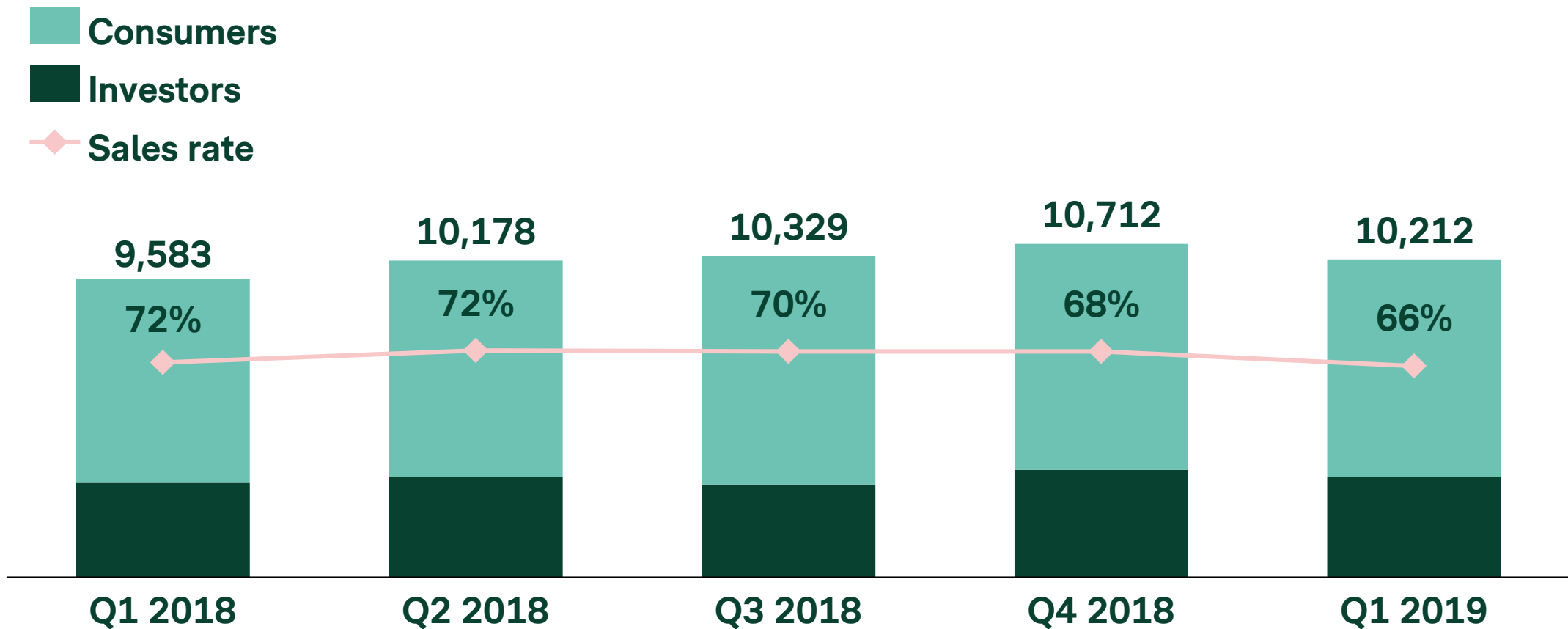
Improved net sales and margin

St. Petersburg-Baltics



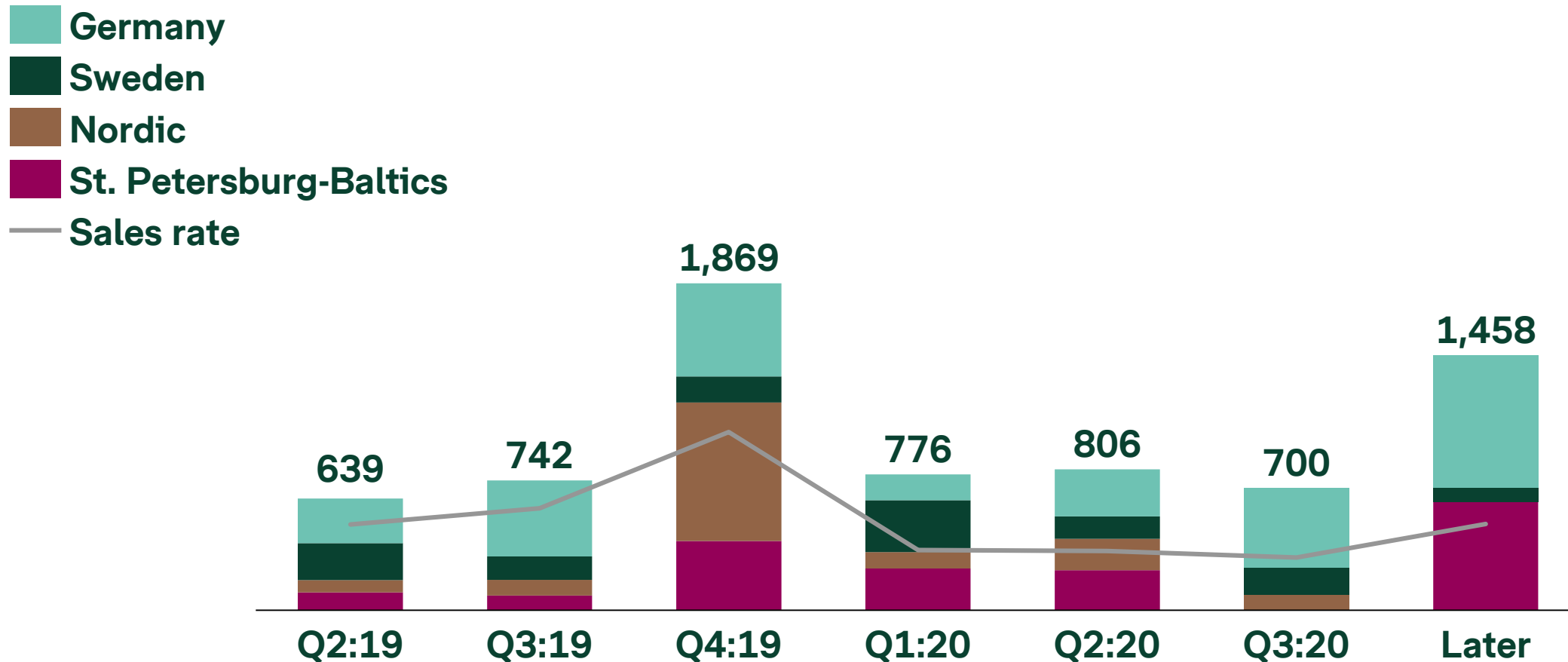
More than 10,000 units in production with good sales rate

Units in production and sales rate



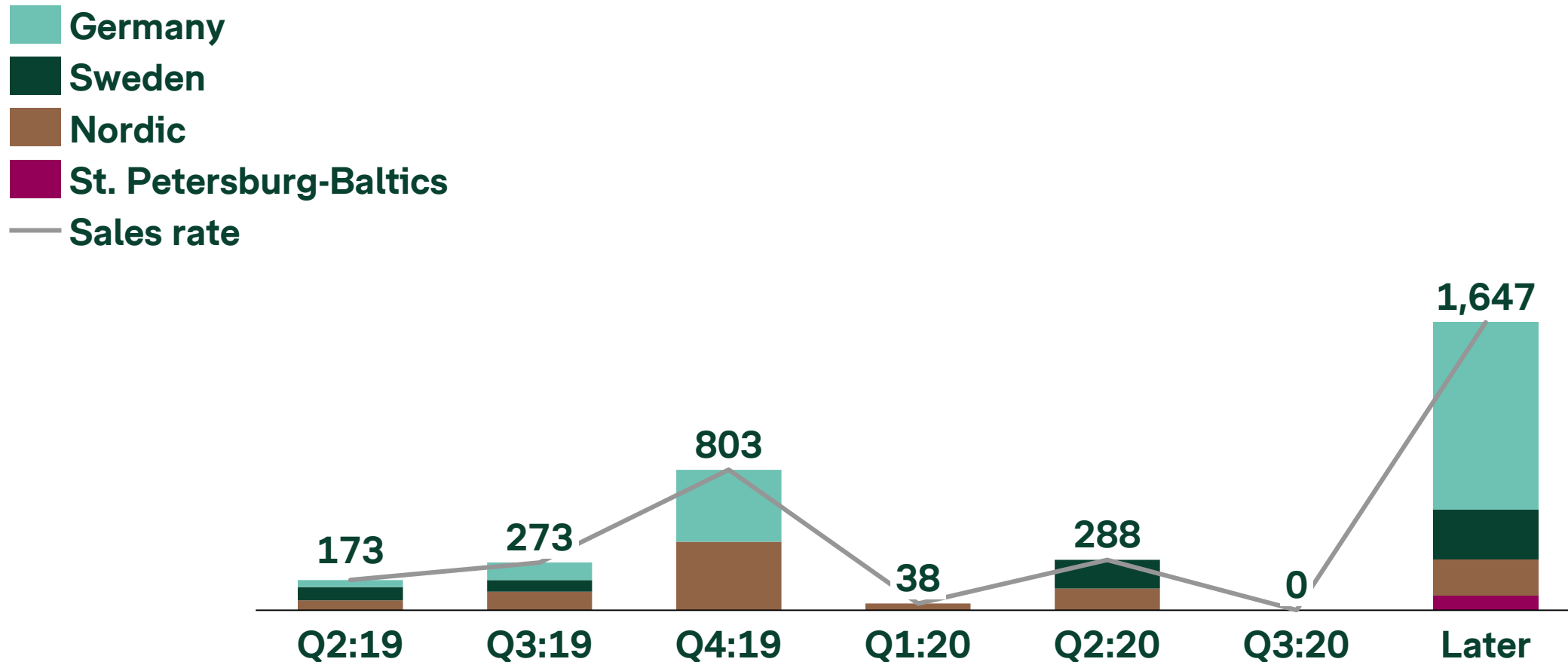
More units to be completed in Q4

Estimated completions of ongoing production, consumers



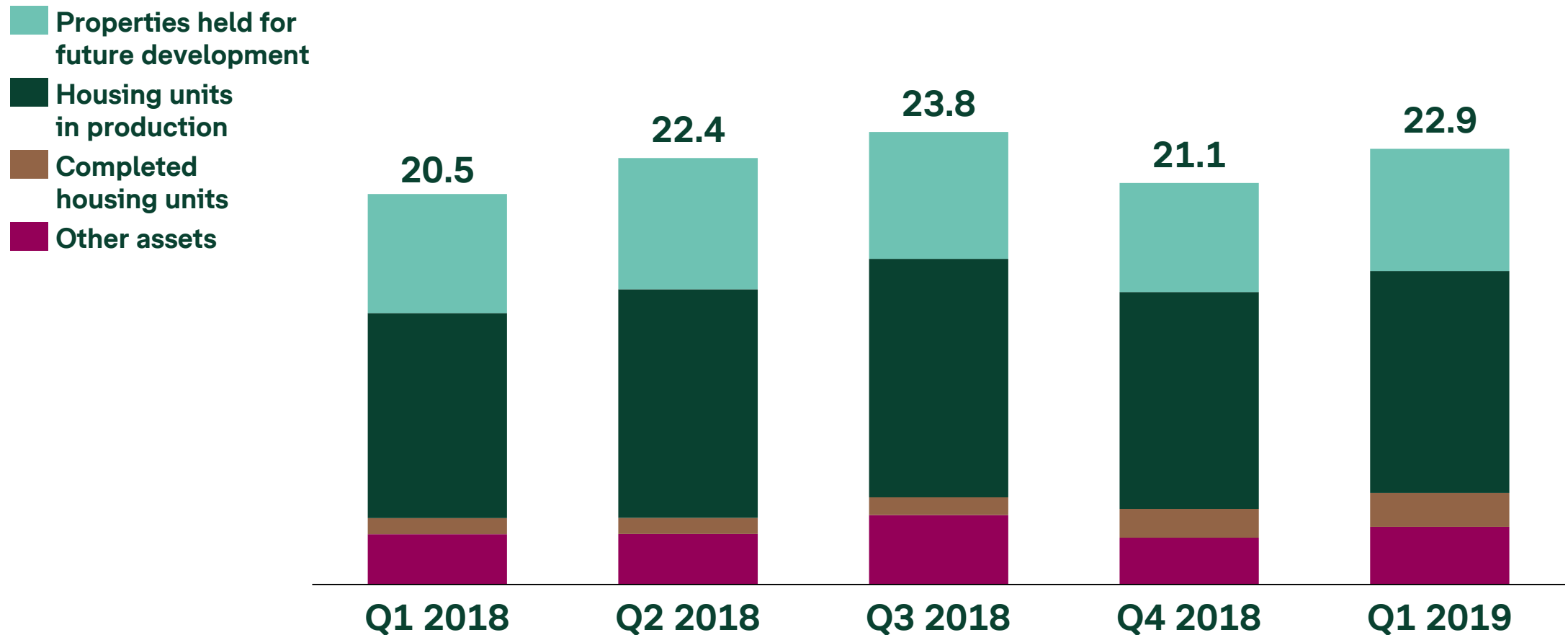
Majority of units to investors completed in Q4

Estimated completions of ongoing production, investors



More units in production and completed units

Total assets (SEK BN)

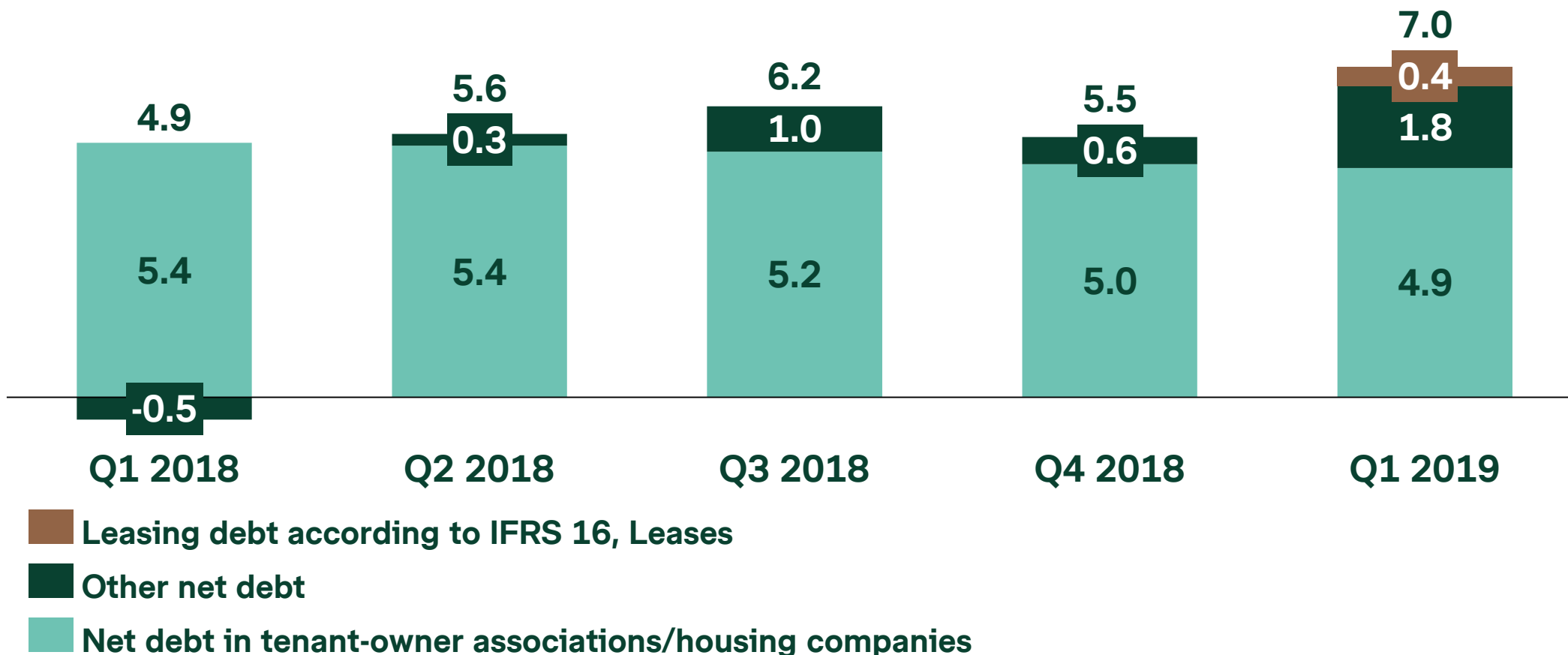


Lower prepayments

	2019	2018	R12	2018
SEK M	Jan-Mar	Jan-Mar	Apr-Mar	Jan-Dec
Cash flow before changes in working capital	-116	-200	1,463	1,379
Divestments of housing projects	2,385	1,387	12,080	11,082
Investments in housing projects	-3,249	-2,718	-13,976	-13,445
Other changes in working capital	-103	783	-532	354
Cash flow from operating activities	-1,083	-747	-966	-630
Investing activities	-12	-27	-120	-135
Cash flow before financing	-1,095	-774	-1,085	-764

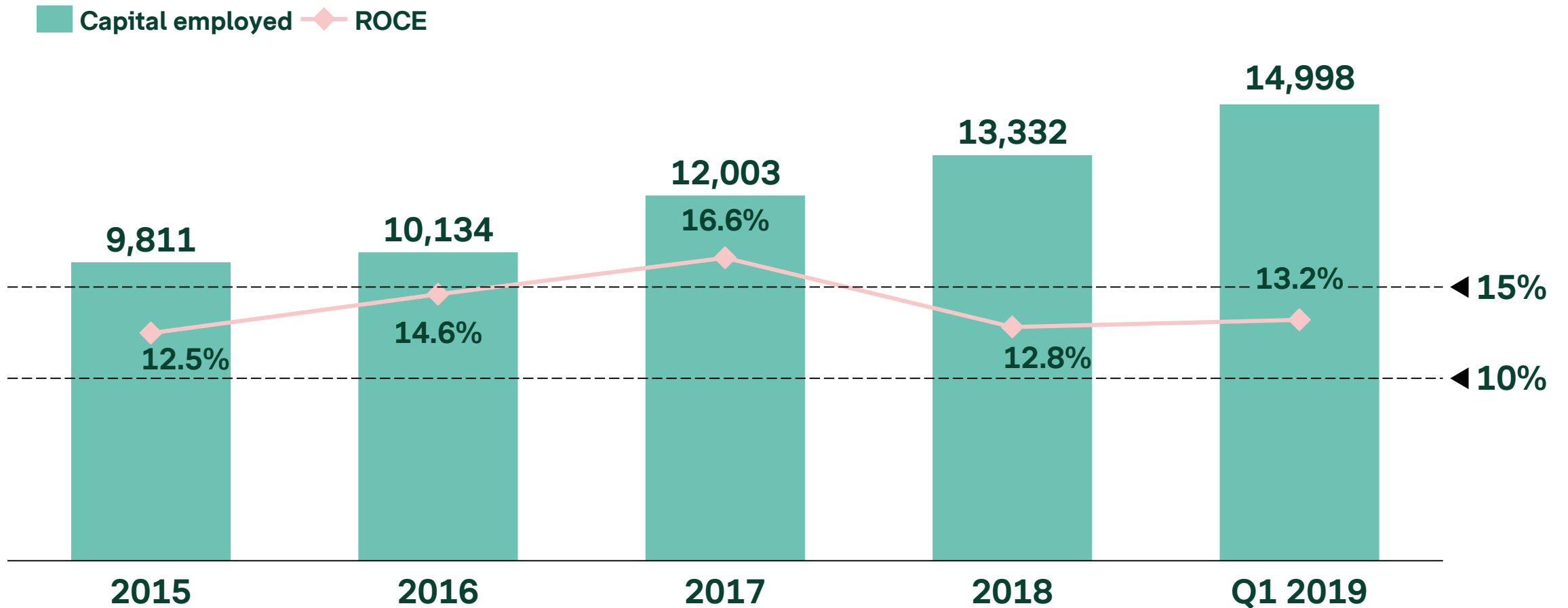
Higher net debt in Q1 due to seasonality and more units in production

Net debt (SEK BN)



Good return on capital employed

Capital employed (SEK M) and return on capital employed



IFRS 16 Leases

- **No significant impact on Bonava**

	Q1, 2019	Excl IFRS 16
Net debt	7,031	6,638
Capital employed	14,998	14,606
Return on capital employed	13,2%	13,2%

IFRS 15 Revenue recognition



- **Bonava continues to recognise sales and profit when the unit is handed over to the customer**
- **Typically capital employed increases Q1-Q3**
- **Many units handed over in Q4 improving cash flow**
- **Debts in tenant-owner associations/housing companies are included in net debt**

Summary



Solid position with good prospects for the future



- Increased net sales and EBIT
- Increased number of started units
- Many units in production with good sales rate
- Strong demand to consumers and investors
- Strong financial position

Q&A

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BONAVA