BONAVA

Q3 2019

Joachim Hallengren, CEO
Ann-Sofi Danielsson, CFO

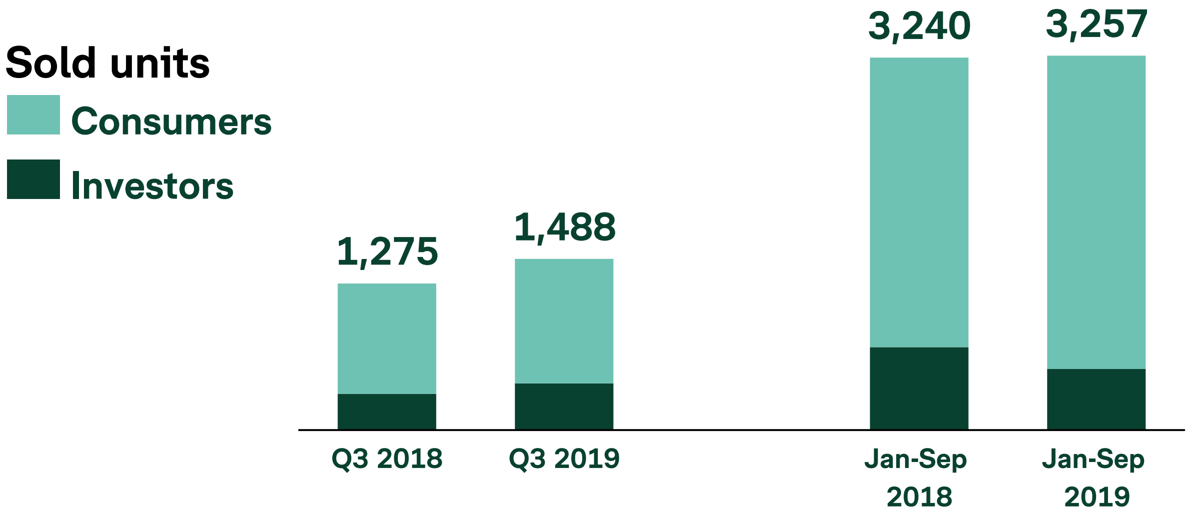
Highlights Q3 2019

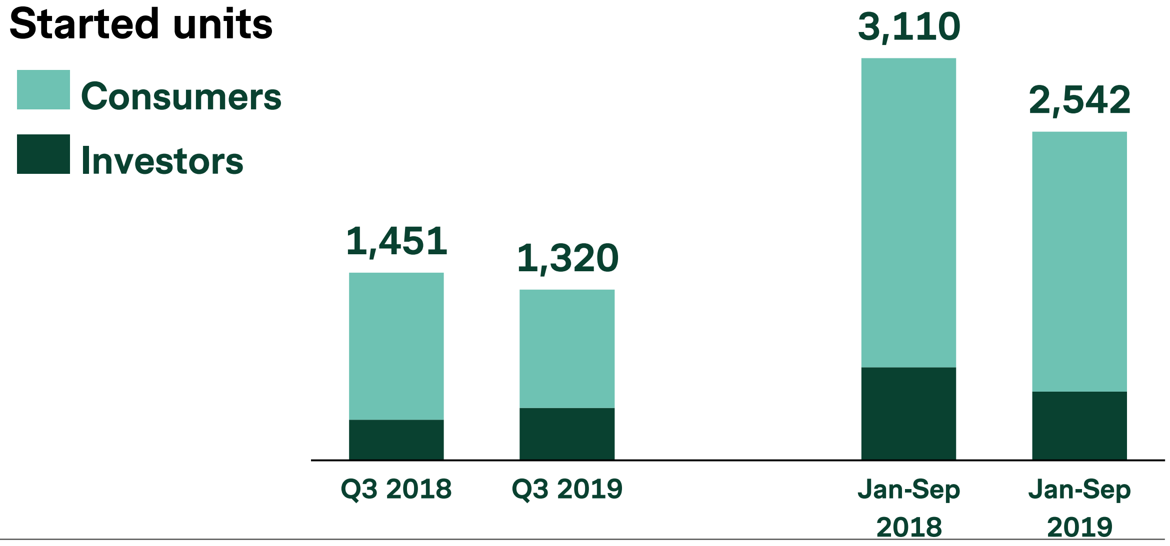
- Net Sales amounted to SEK 3,380 M (3,391)
- EBIT excl. legal dispute settlement SEK 162 M (406)
- Strong sales development, especially in Sweden
- Increased sales value of sold units

- Started units catching up from H1
- Acquisition of Urbanium AS in Oslo
- After Q3: Sales starts of 90 homes in SE and;
- Production starts 169 in Lund

Increased number of sold homes with increased sales value

- Sold units:
  - Consumers 1,082 (962)
  - Investors 406 (313)
- Started units:
  - Consumers 914 (1,204)
  - Investors 406 (247)
- Units in production 10,301 (10,329)
- Sales rate 72 (70) percent
- Value of sold, not yet recognised SEK 22.2 Bn (19.7)





Stable market with underlying demand

Consumers

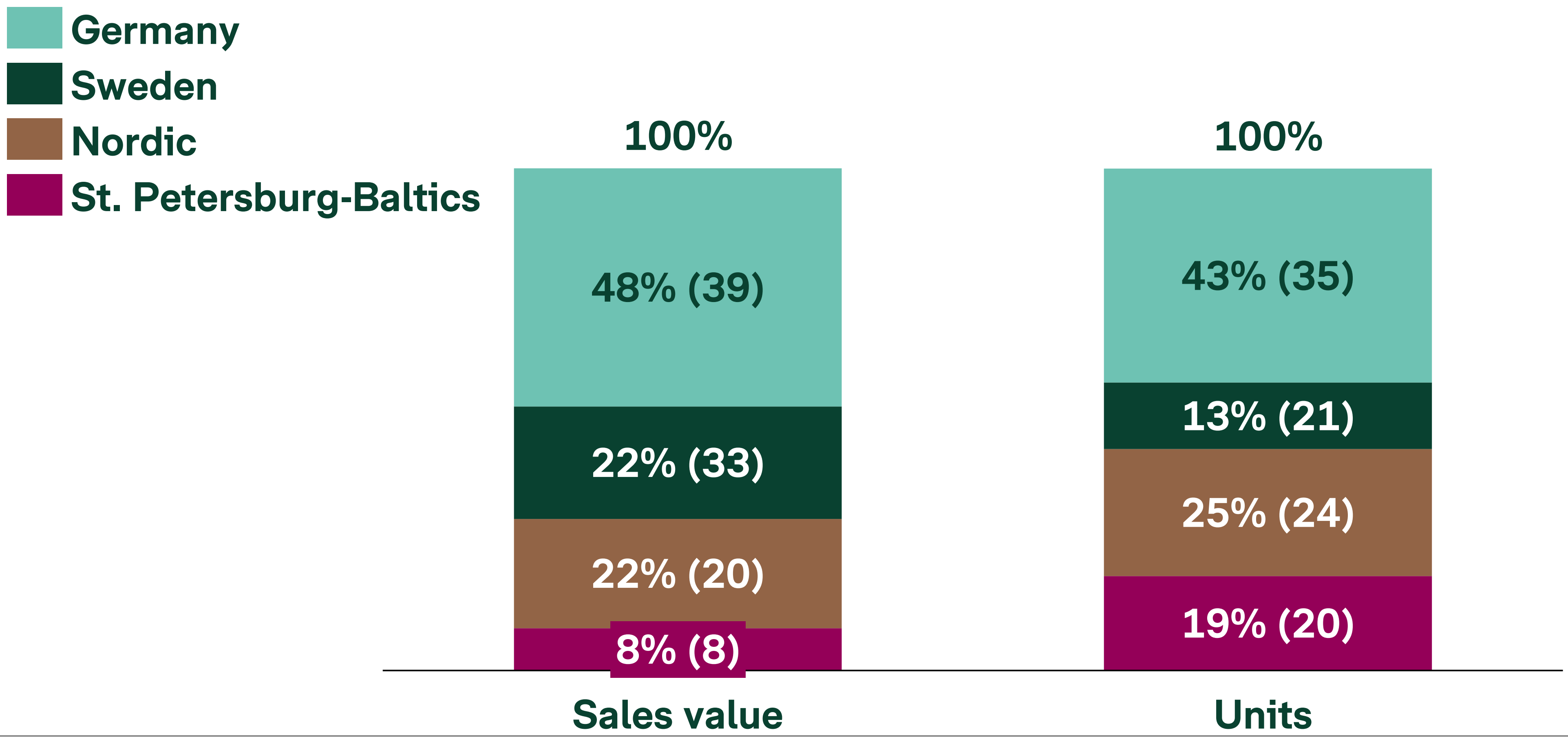
- Strong demand in Germany with favourable market conditions
- Swedish market stabilising, with increasing number of sold units and price optimism
- Stable in Norway, hesitant in Denmark and Finland
- Strong demand in St. Petersburg and Baltics

Investors

- Solid demand in all markets

Continued growth in Germany

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



Started homes in Q3

Multi-family homes in Berlin, Germany

- Project name: Märkische Allee
- 232 apartments to investors
- Close to city center and immediate access to playgrounds, supermarkets and nature

Multi-family homes in Linköping, Sweden

- Project name: Tinnerbäcks Brunn
- 52 apartments to consumers
- Affordable apartments with joint facilities to create happy neighbourhoods

Started homes in Q3

Multi-family homes in Helsinki, Finland

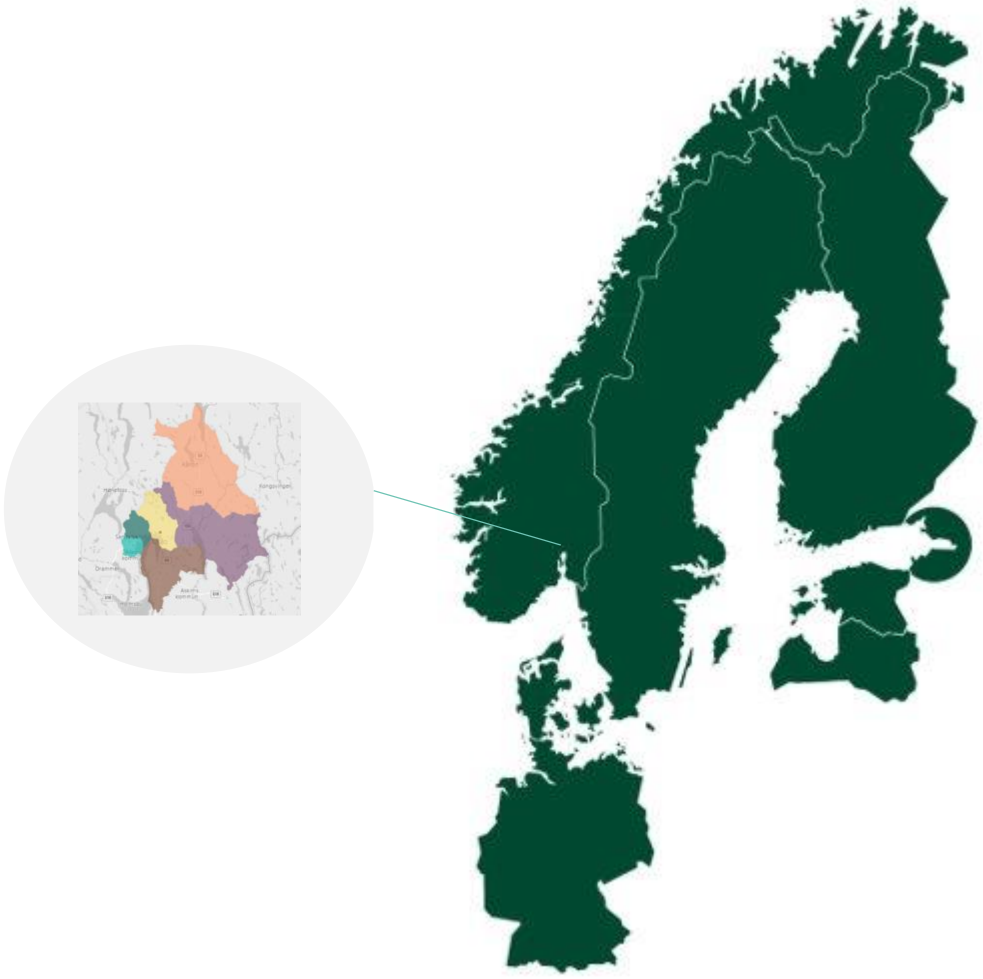
- **Project name: Postinkantaja**
- **57 apartments to consumers**
- **A suburban living combined with own cultivation plots, common pavilion with saunas and leisure activites**

Multi-family homes in Bergen, Norway

- **Project name: Biskopshus 1**
- **37 apartments to consumers**
- **Affordable living with common garden and outdoor activity area.**

Acquisition of Urbanium strenghtens our position in Norway

- Bonava acquires the residential developer Urbanium AS for NOK 608 M on a cash and debt free basis
- Urbanium has since 2003 developed and sold residential units in and around Oslo
- An attractive land portfolio with potential to complete close to 1,000 residential units over the coming seven years
- 50 apartments in production with estimated completion in early 2021



Q3 2019

Ann-Sofi Danielsson, CFO

Outcome financial objectives and dividend policy

ROCE	Equity to assets ratio	Dividend policy
10-15%	> 30%	> 40%
9.7*%	29.9%	R12 EPS 10,07* SEK

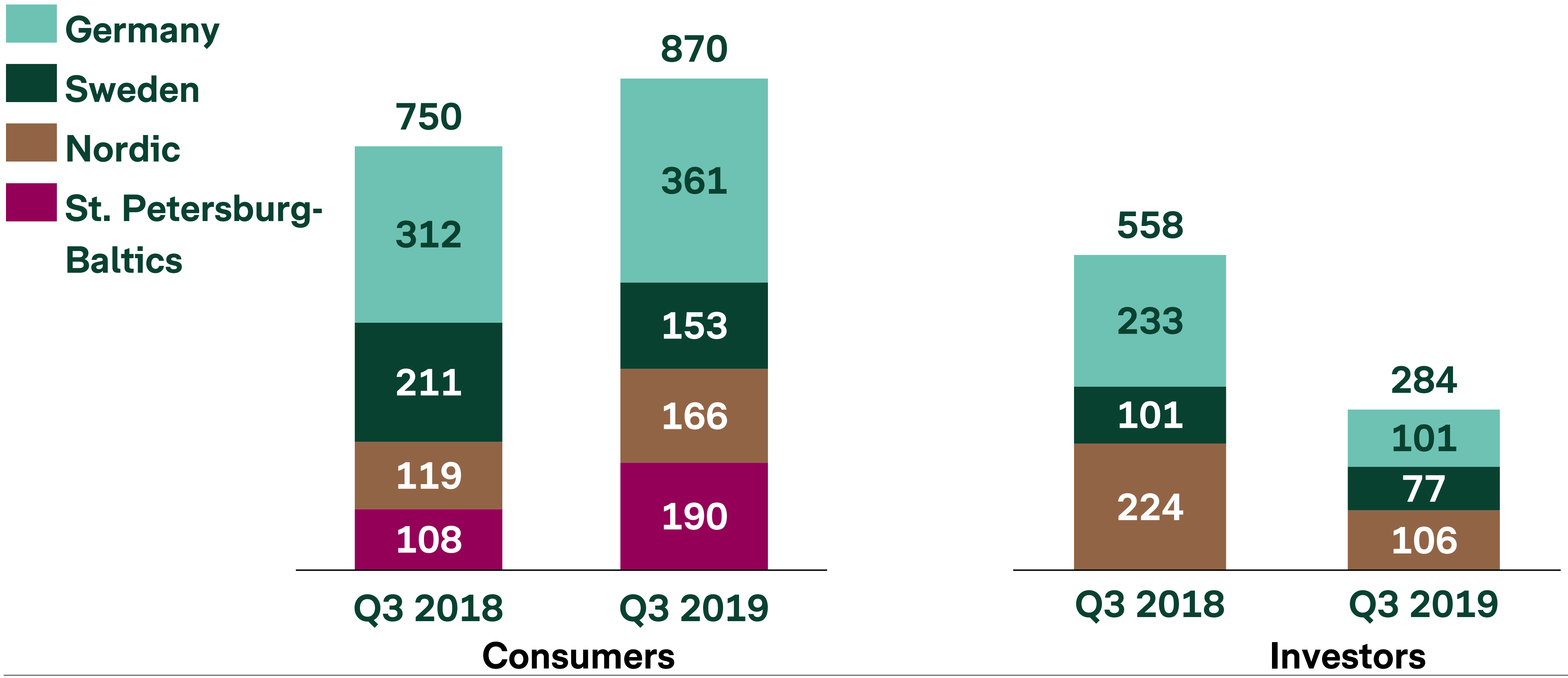
* Excluding legal dispute settlement in DE

Stable net sales - lower EBT

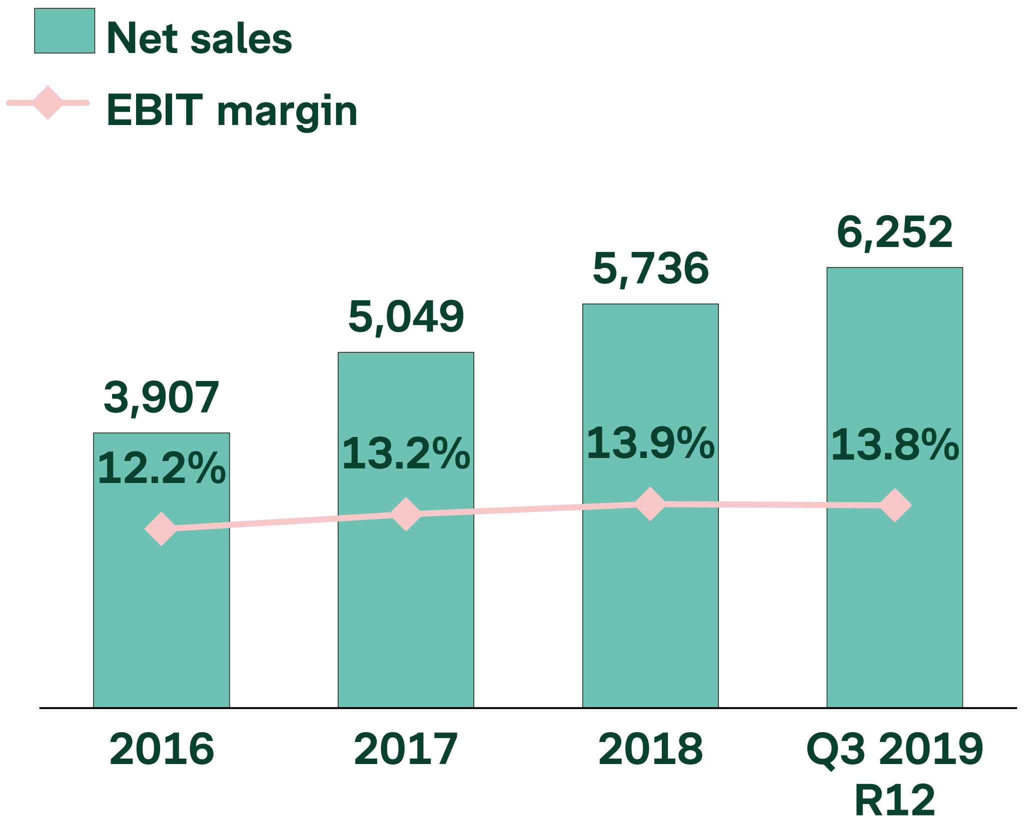
	2019	2018	2019	2018	R12	2018
SEK M	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Oct-Sep	Jan-Dec
Net sales	3,380	3,391	8,975	7,802	15,181	14,008
Gross profit	368	614	1,178	1,425	2,309	2,557
Selling and administrative expenses	-206	-208	-668	-670	-900	-903
EBIT excl. items affecting comparability	162	406	509	755	1,409	1,654
Items affecting comparability	-100		-100		-100	
EBIT incl. items affecting comparability	62	406	409	755	1,309	1,654
Net financial items	-26	-35	-79	-111	-109	-141
Profit after financial items	36	370	330	643	1,200	1,513
Tax on profit for the period	-9	-82	-83	-140	-191	-249
Net profit	27	289	247	503	1,009	1,265

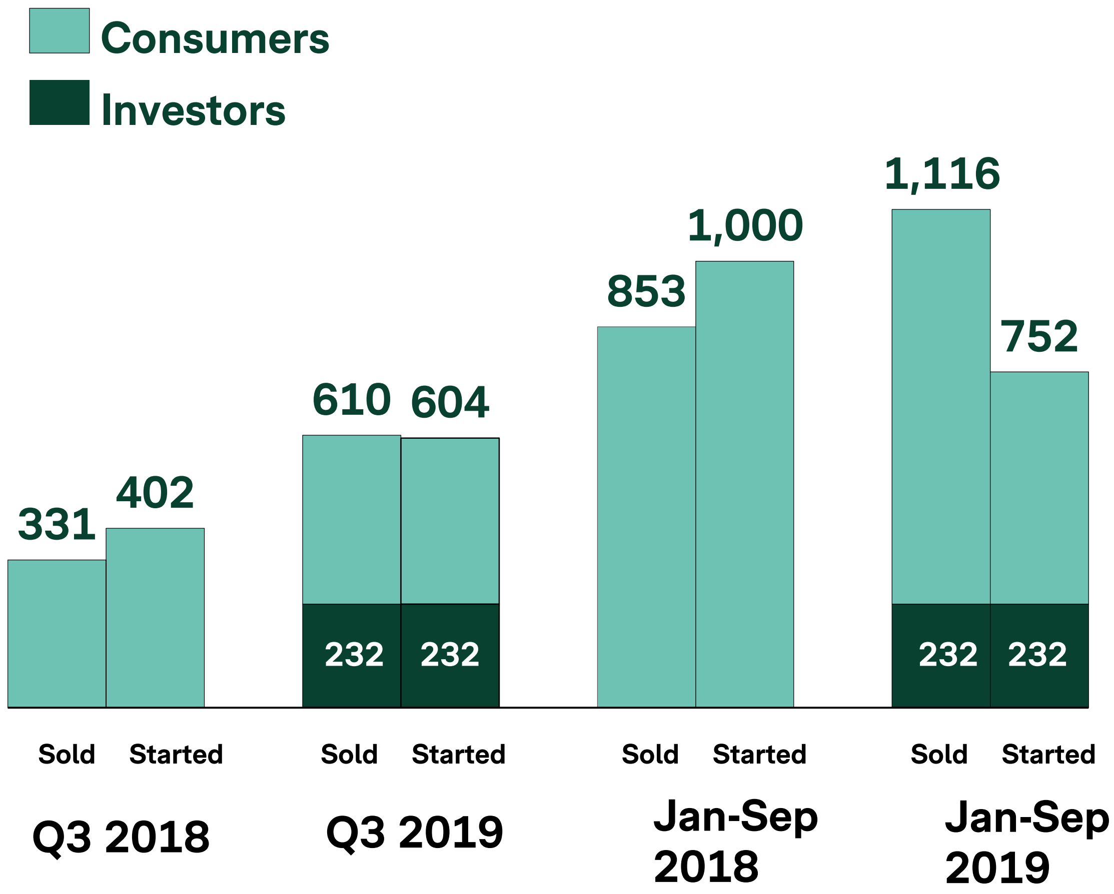
Increase of units handed over to consumers

Recognised number of units to consumers and investors

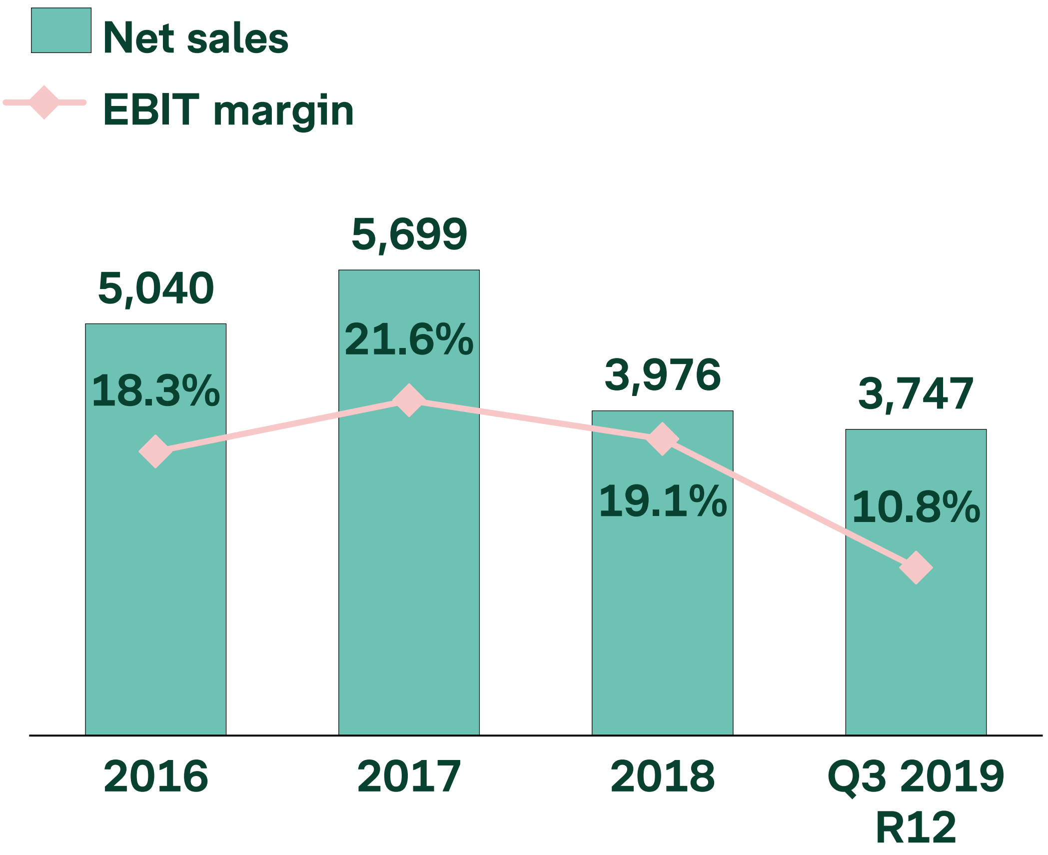


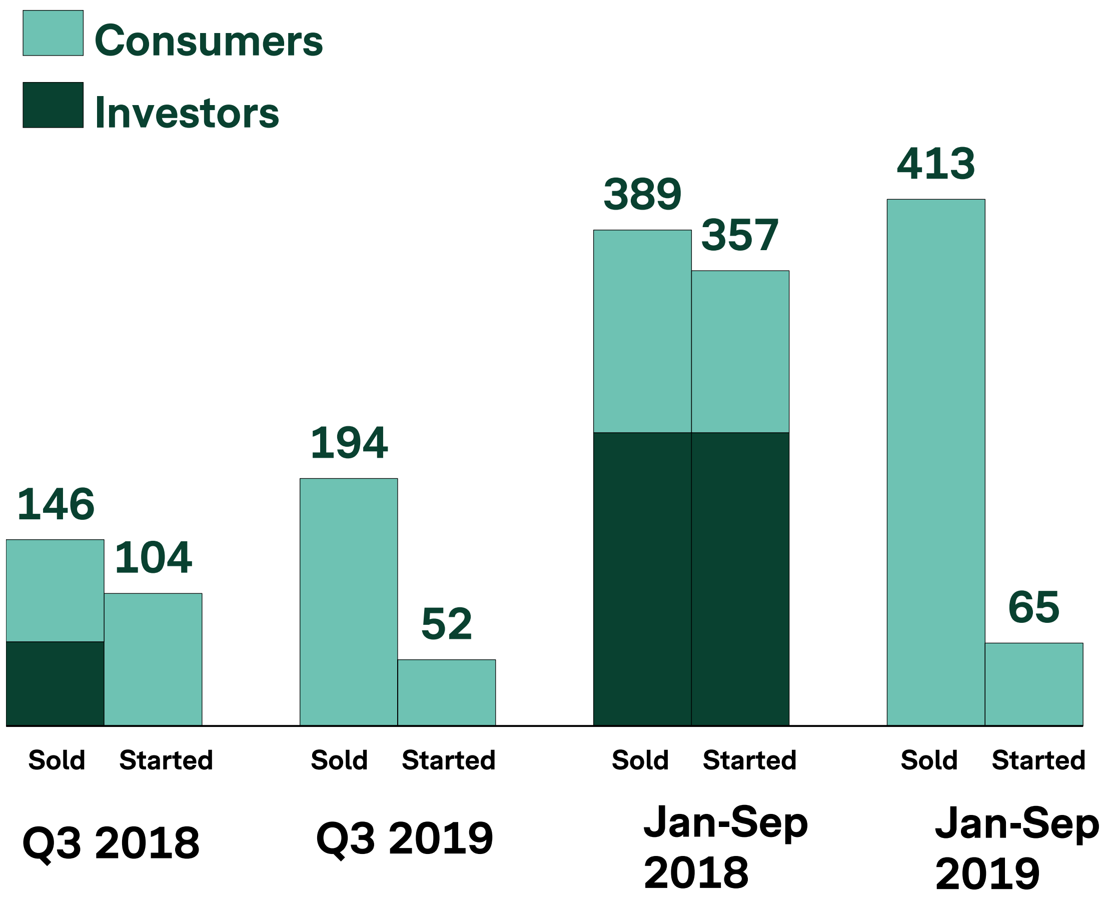
Germany: Solid demand and step up in units started



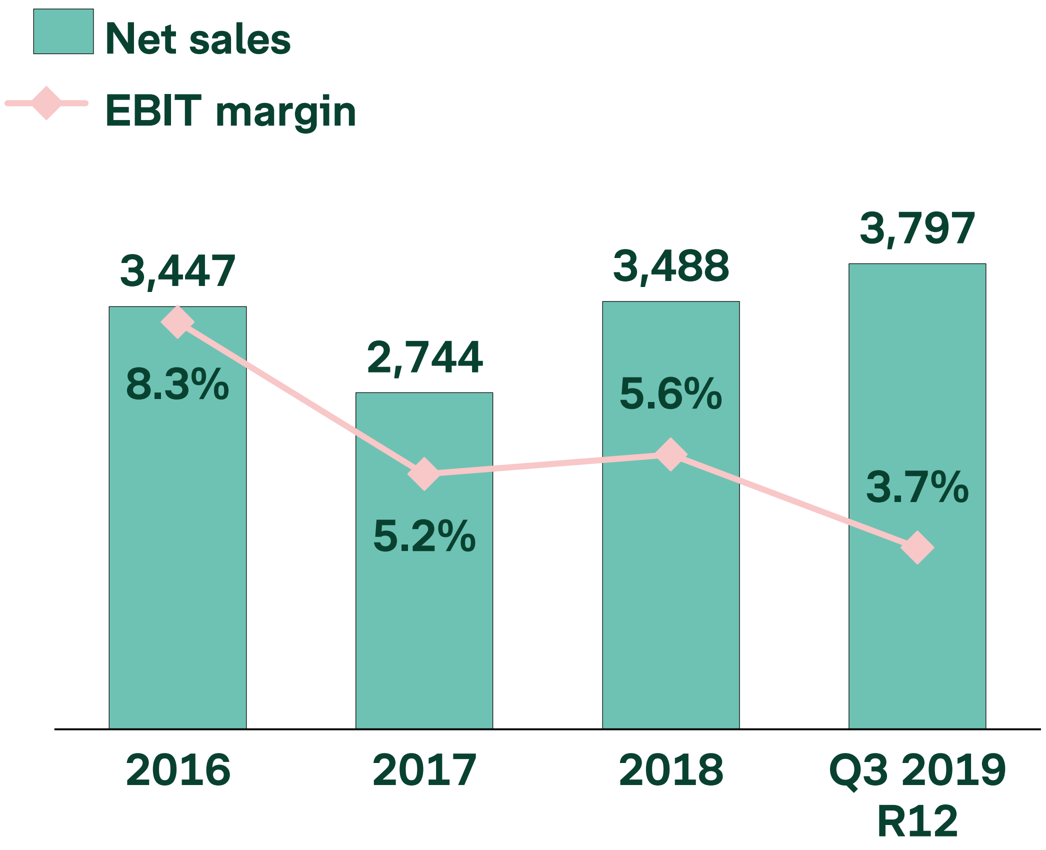


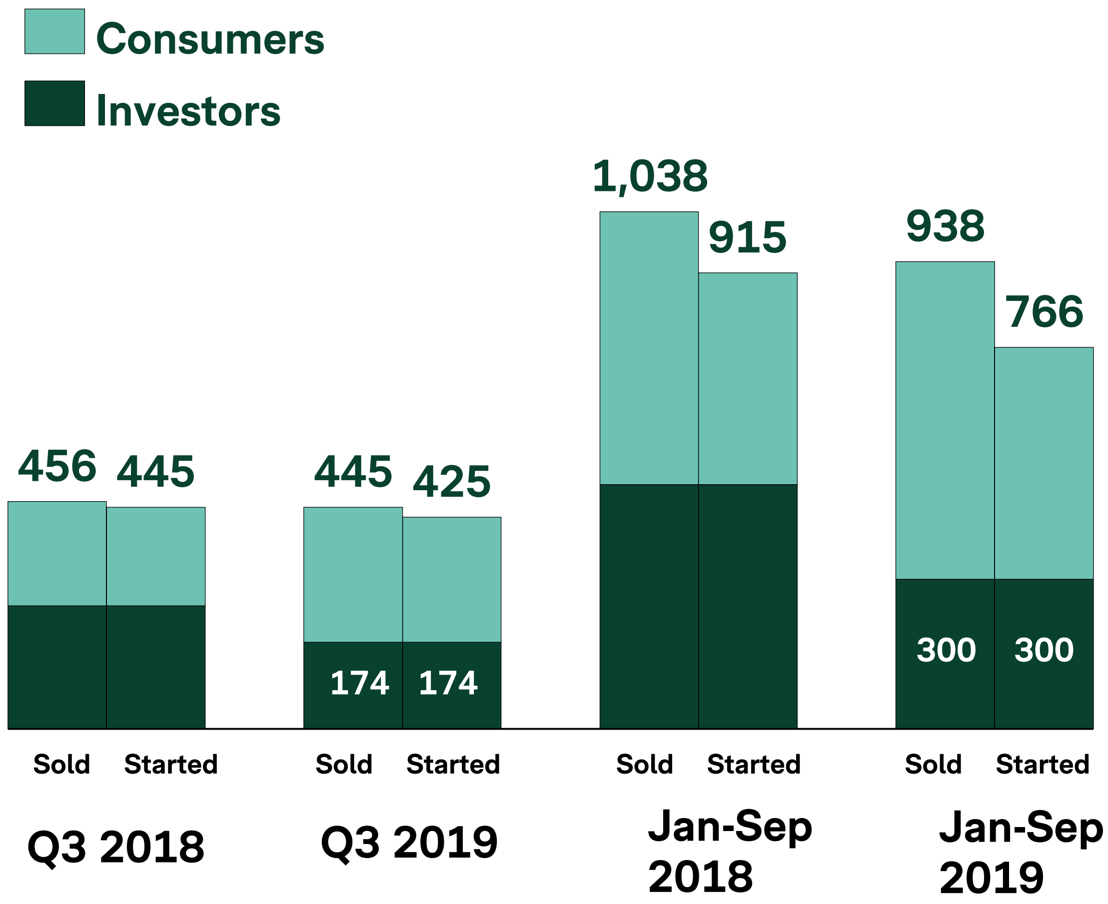
Sweden: Good demand leading to strong sales development



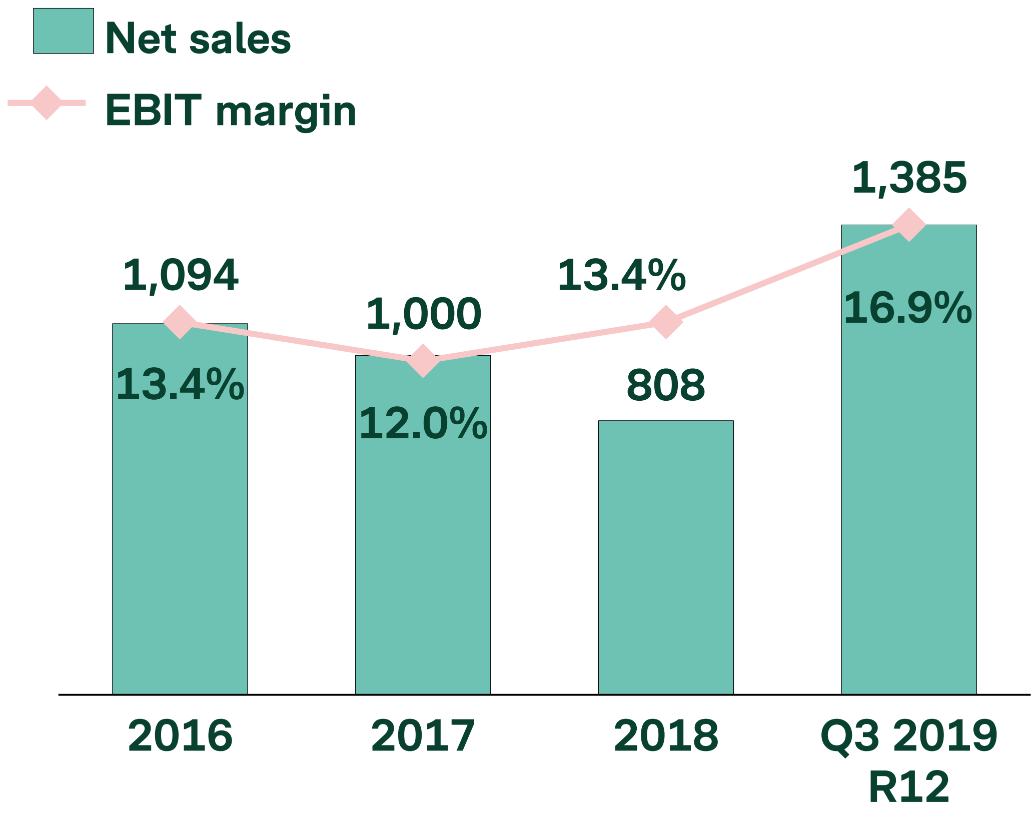


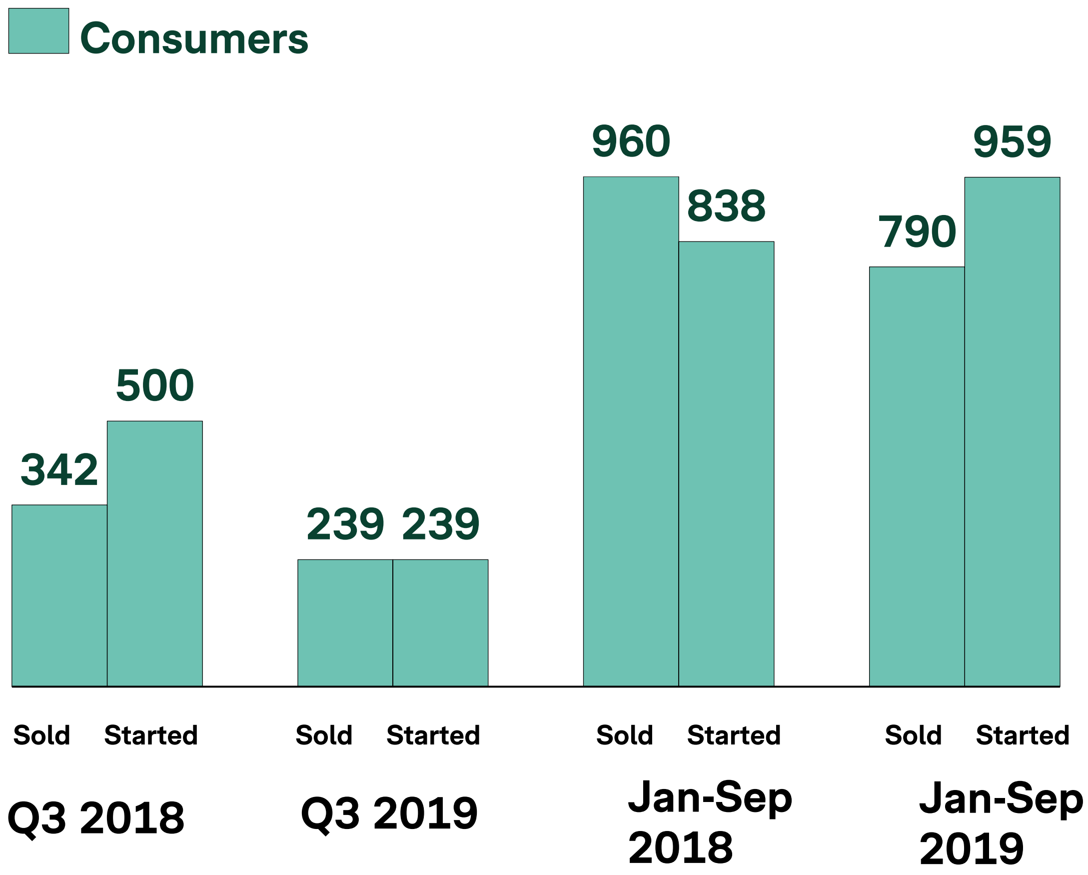
Nordic: Strong sales to consumers, increased projects costs





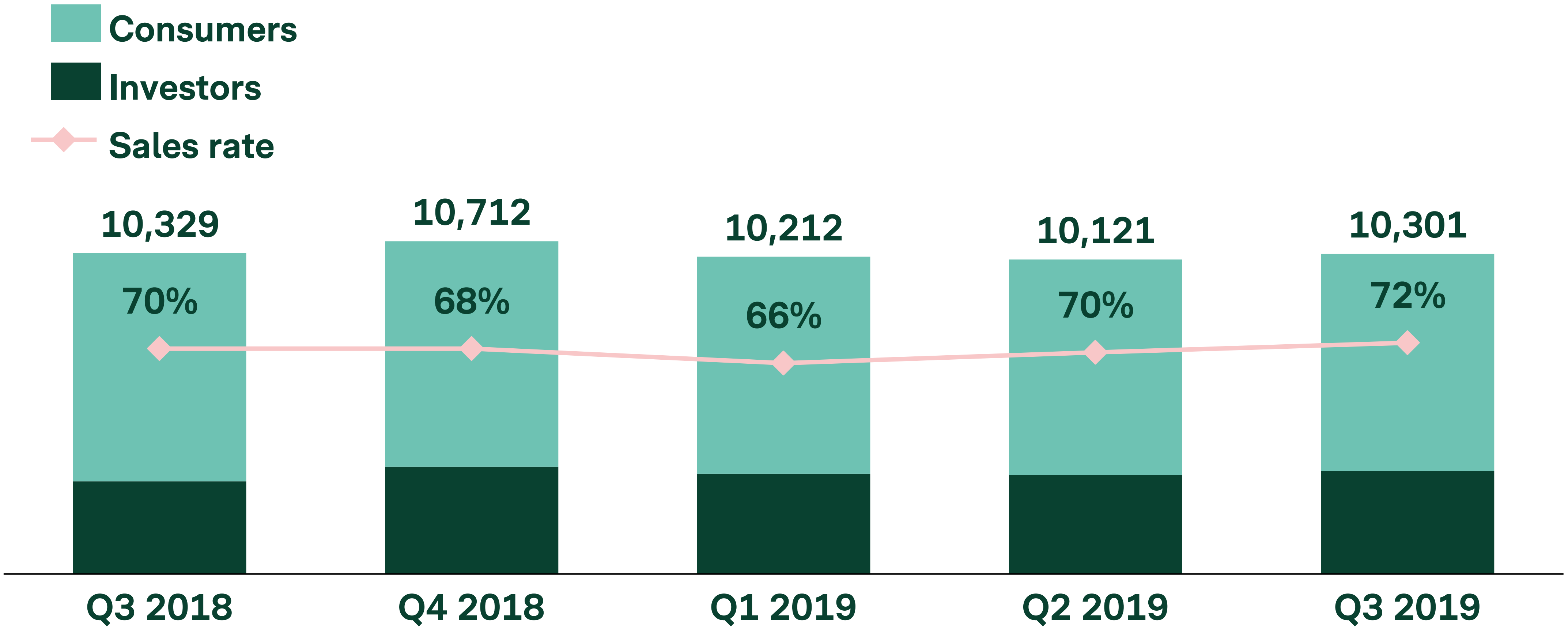
St. Petersburg-Baltics: Expansion with strong margins





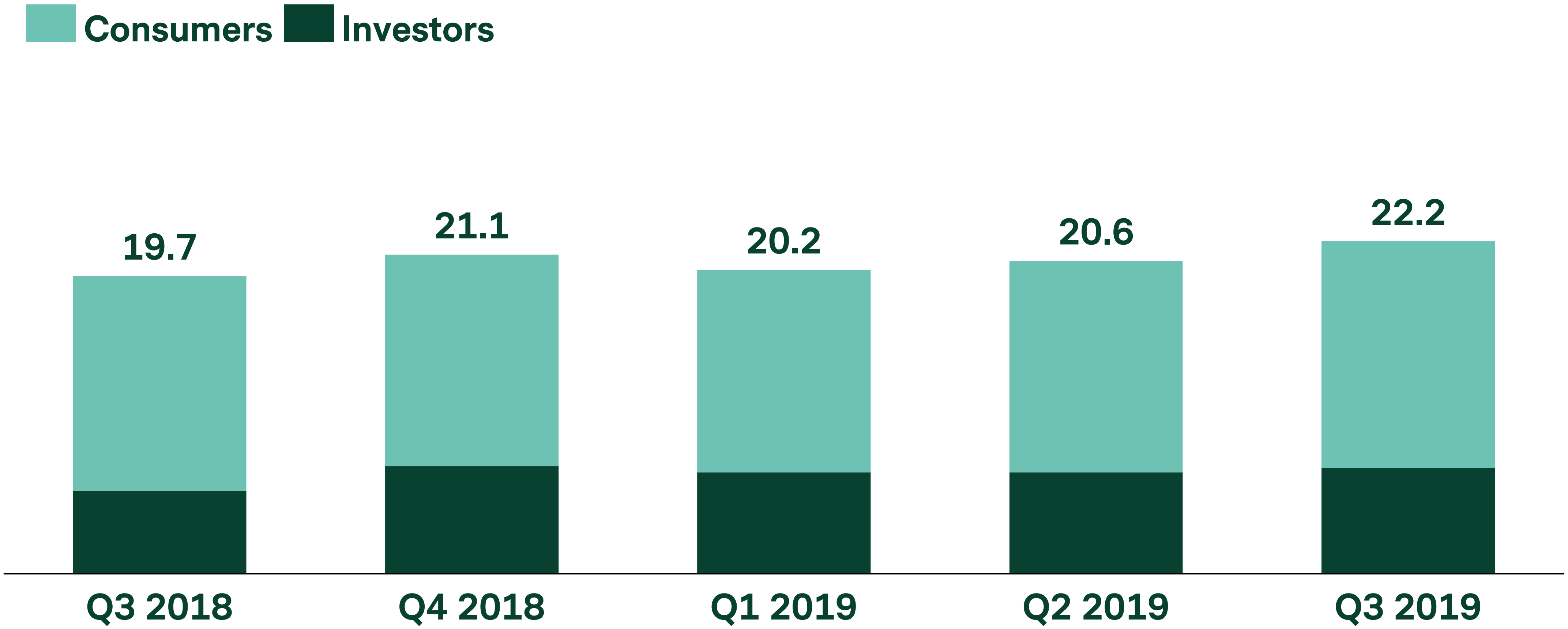
Units in production on high level with good sales rate

Units in production and sales rate



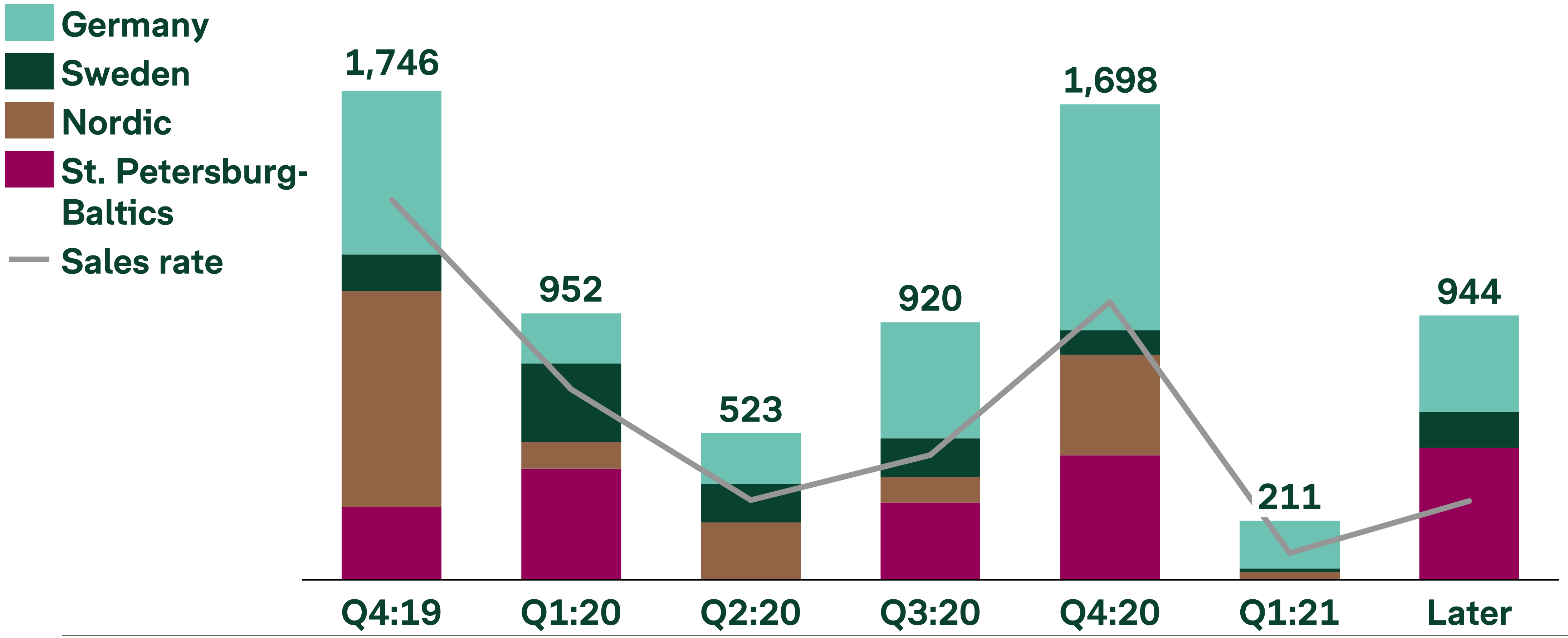
Increased sales value

Value of sold housing units, not yet recognised for **profit (SEK Bn)**



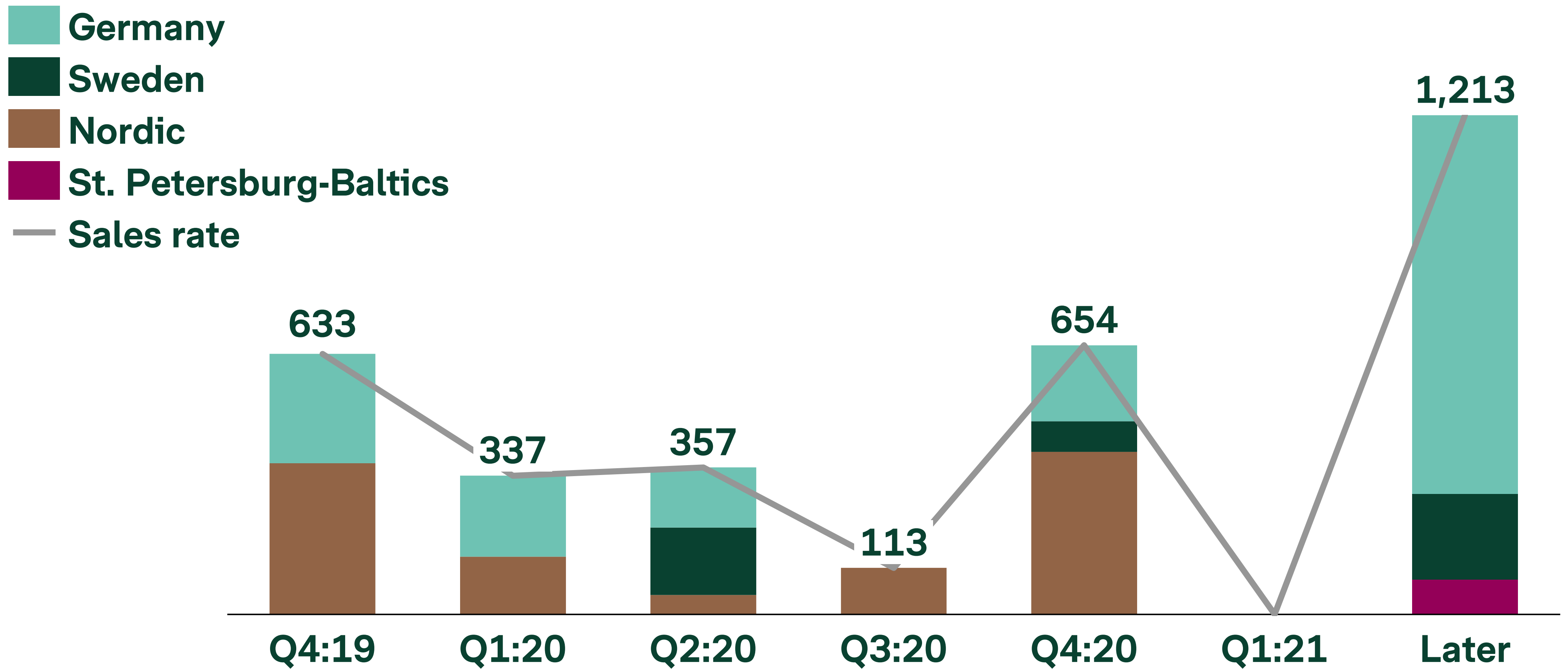
High number of completions expected in Q4 19

Estimated completions of ongoing production, consumers



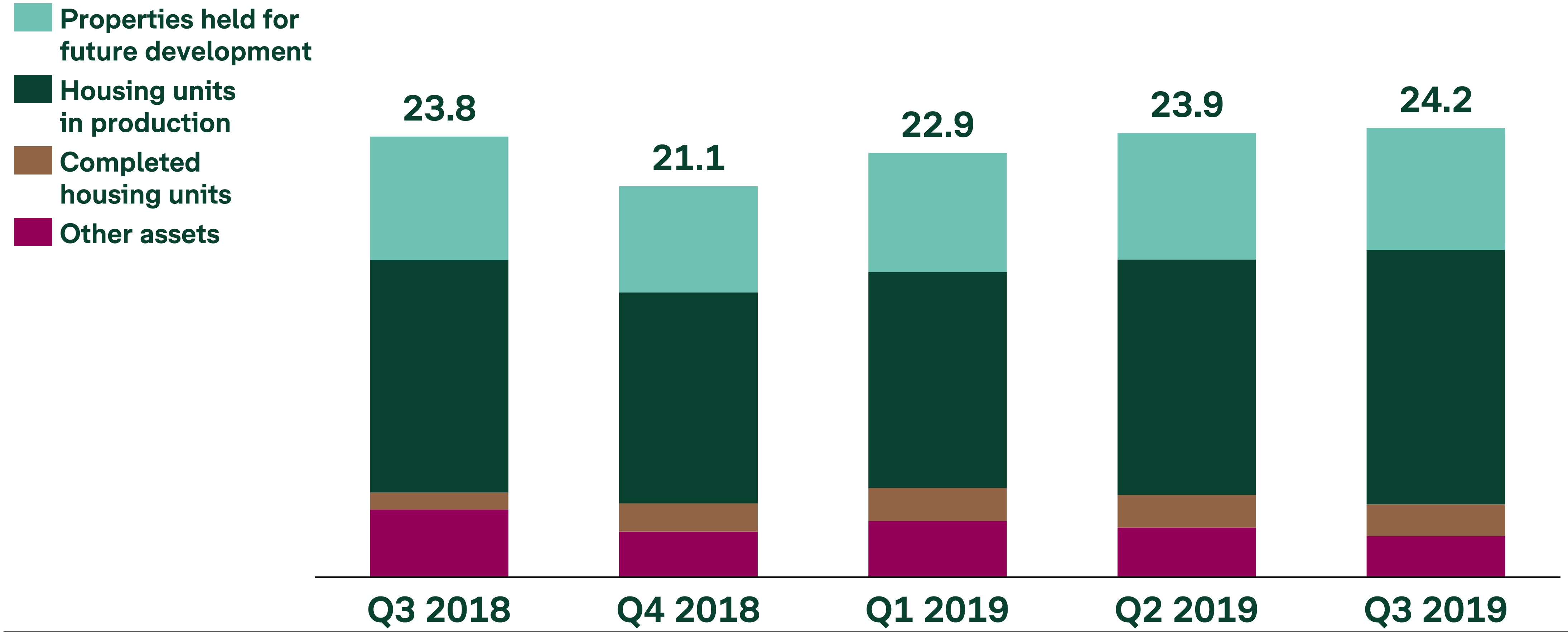
Number of housing units to be completed going forward

Estimated completions of ongoing production, investors



Increased housing units in production

Total assets (SEK Bn)

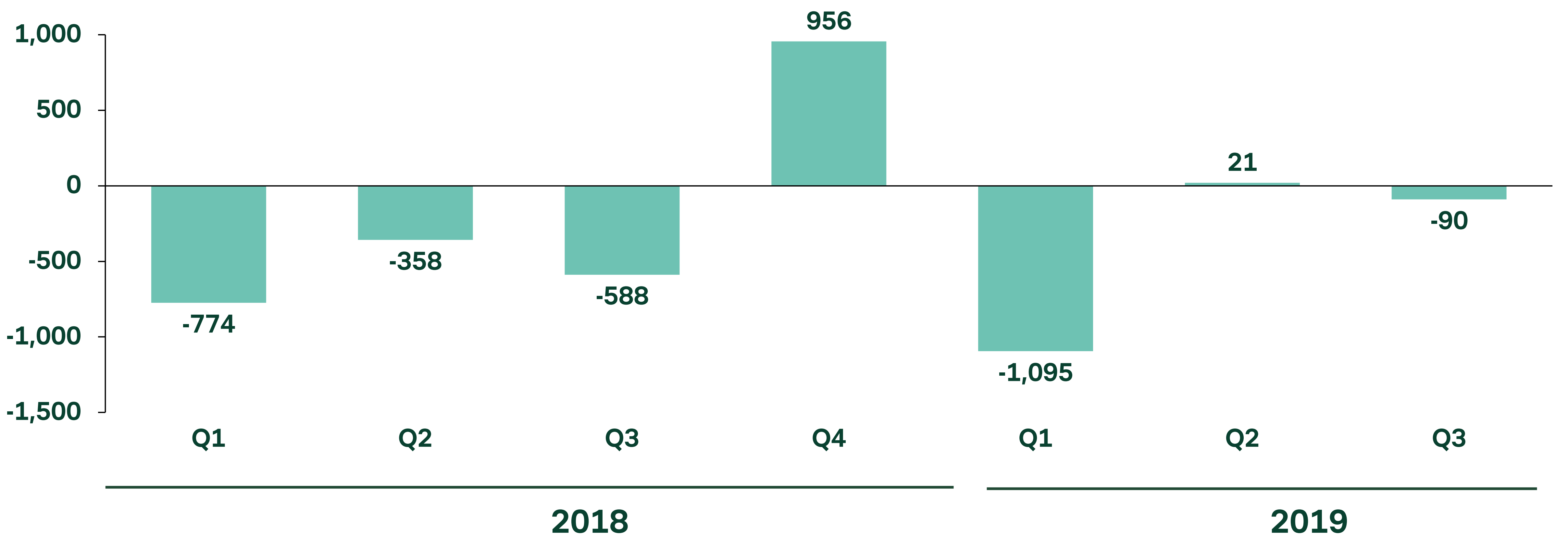


Improved cashflow in the quarter

	2019	2018	2019	2018	R12	2018
SEK M	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Oct-Sep	Jan-Dec
Cash flow before changes in working capital	-167	423	-215	402	762	1,379
Divestments of housing projects	2,809	2,849	7,391	6,423	12,050	11,082
Investments in housing projects	-3,302	-3,511	-9,856	-10,110	-13,191	-13,445
Other changes in working capital	579	-318	1,629	1,659	324	354
Cash flow from operating activities	-81	-556	-1,051	-1,626	-55	-630
Investing activities	-9	-32	-56	-94	-97	-135
Cash flow before financing	-90	-588	-1,107	-1,720	-151	-764

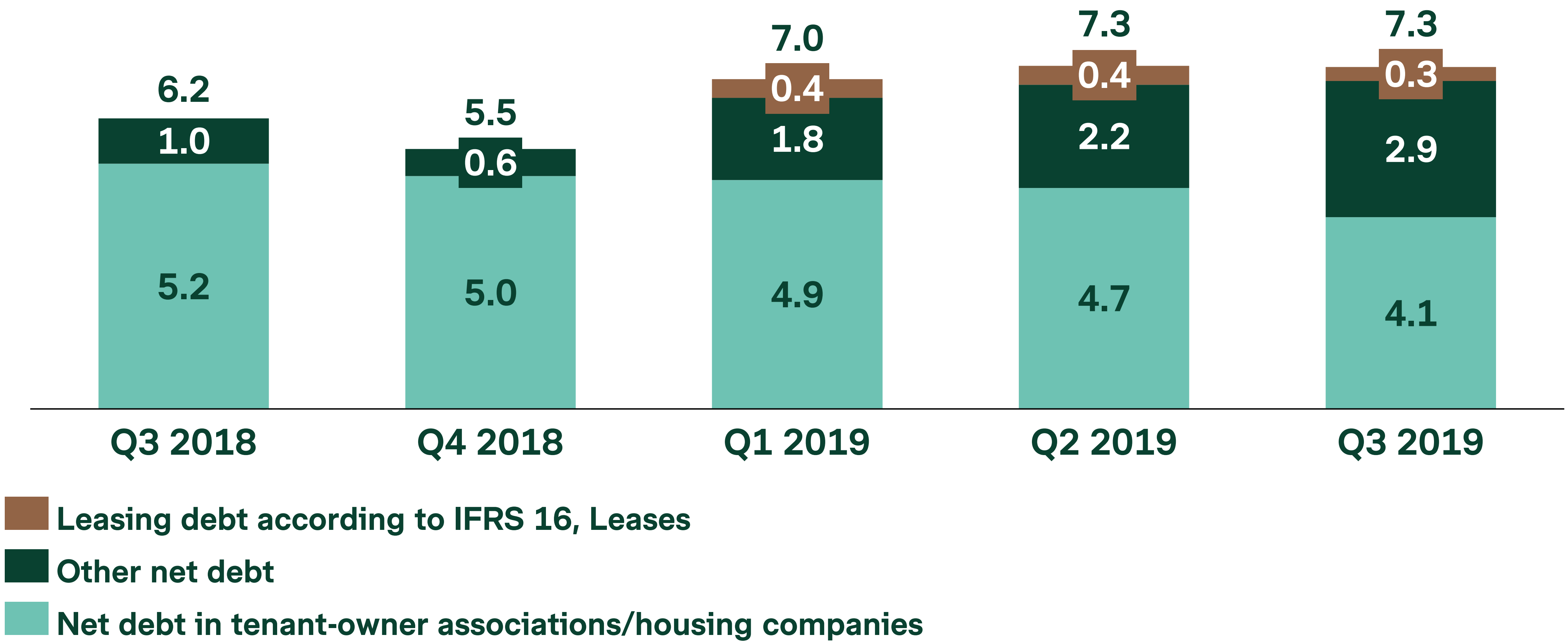
Cashflow follows seasonal effects

Cashflow before financing

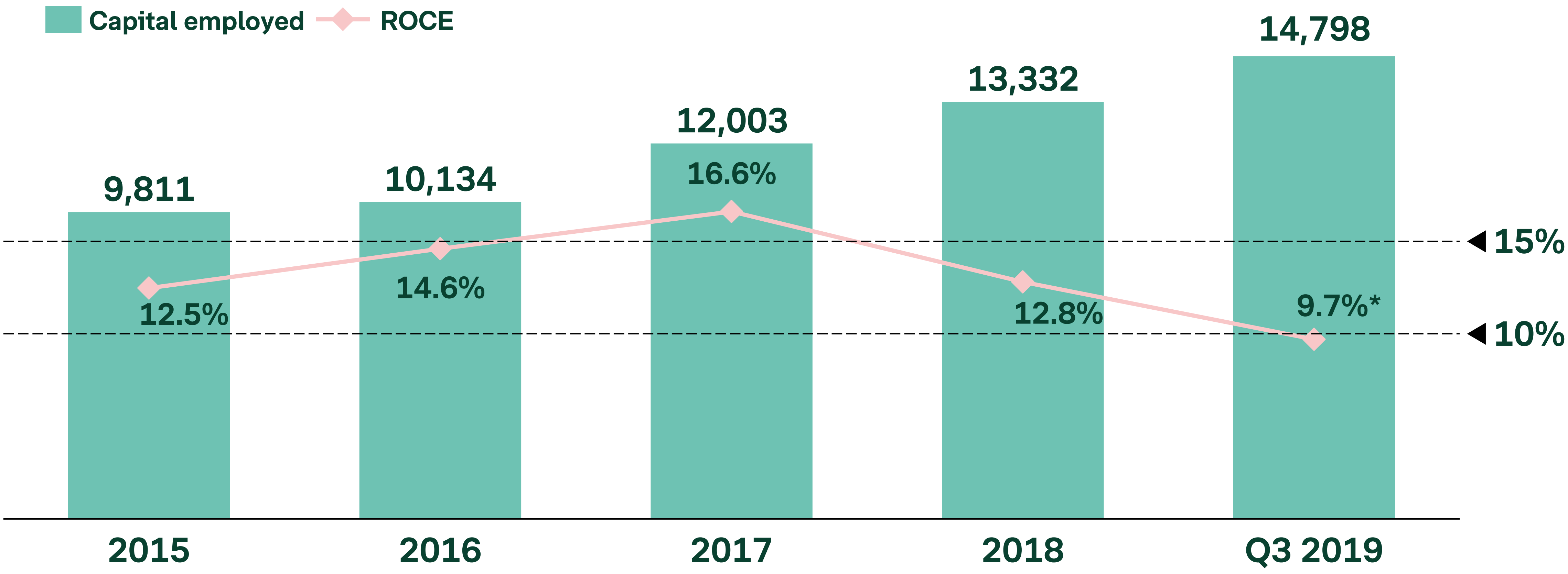


Seasonally higher net debt in Q3

Net debt (SEK Bn)



Capital employed increasing – continuing investments in Germany



* Excluding legal dispute settlement in DE

Summary

BONAVA

Increased activity laying ground for continued growth

- Continued momentum in Germany
- Step up in number of starts compared to H1
- Strong sales development, in particular in Sweden
- Increased sales value of housing units in production
- Strong measures taken to cost control
- Strenghtening position in Norway through acquistion

Q&A

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