BONAVA

Q3 2016

Joachim Hallengren, CEO
Ann-Sofi Danielsson, CFO

Strong profit development for the third quarter

ORIGO KVILLEBÄCKEN

Third quarter in brief

- Strong profit development
  - EBIT of 228 (180) MSEK
  - EBIT margin of 10 (8) %
- First investor sale in Denmark
- Strongest residential brand in Germany

Stable number of units in production

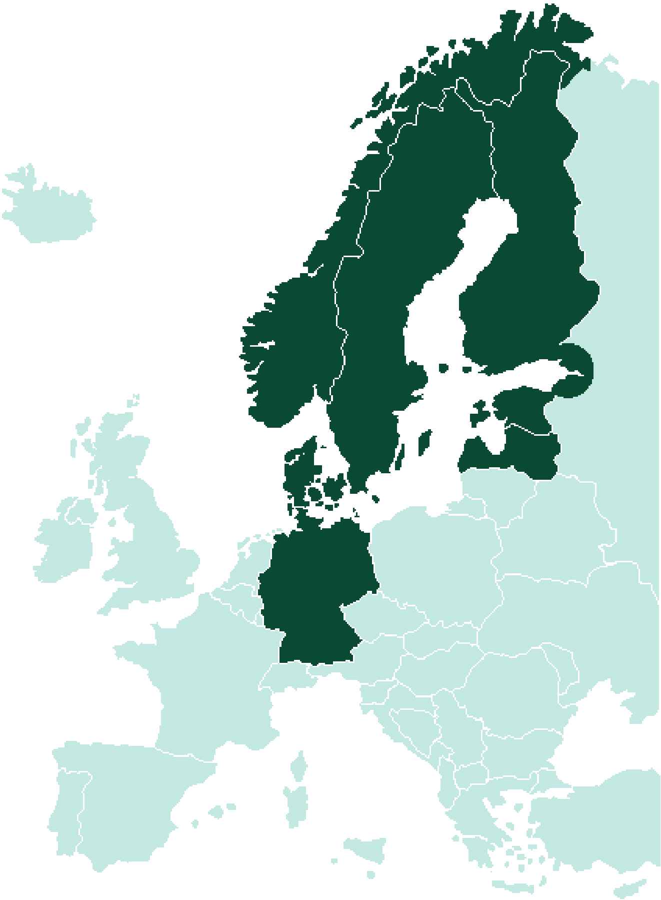
Third quarter

- Sold units 965 (1,402)
- Housing starts 897 (1,389)
- 9,071 (9,071) units in production

Nine months period

- Sold units 3,516 (4,016)
- Housing starts 3,150 (3,507)
- 9,071 (9,071) units in production

Continued strong markets



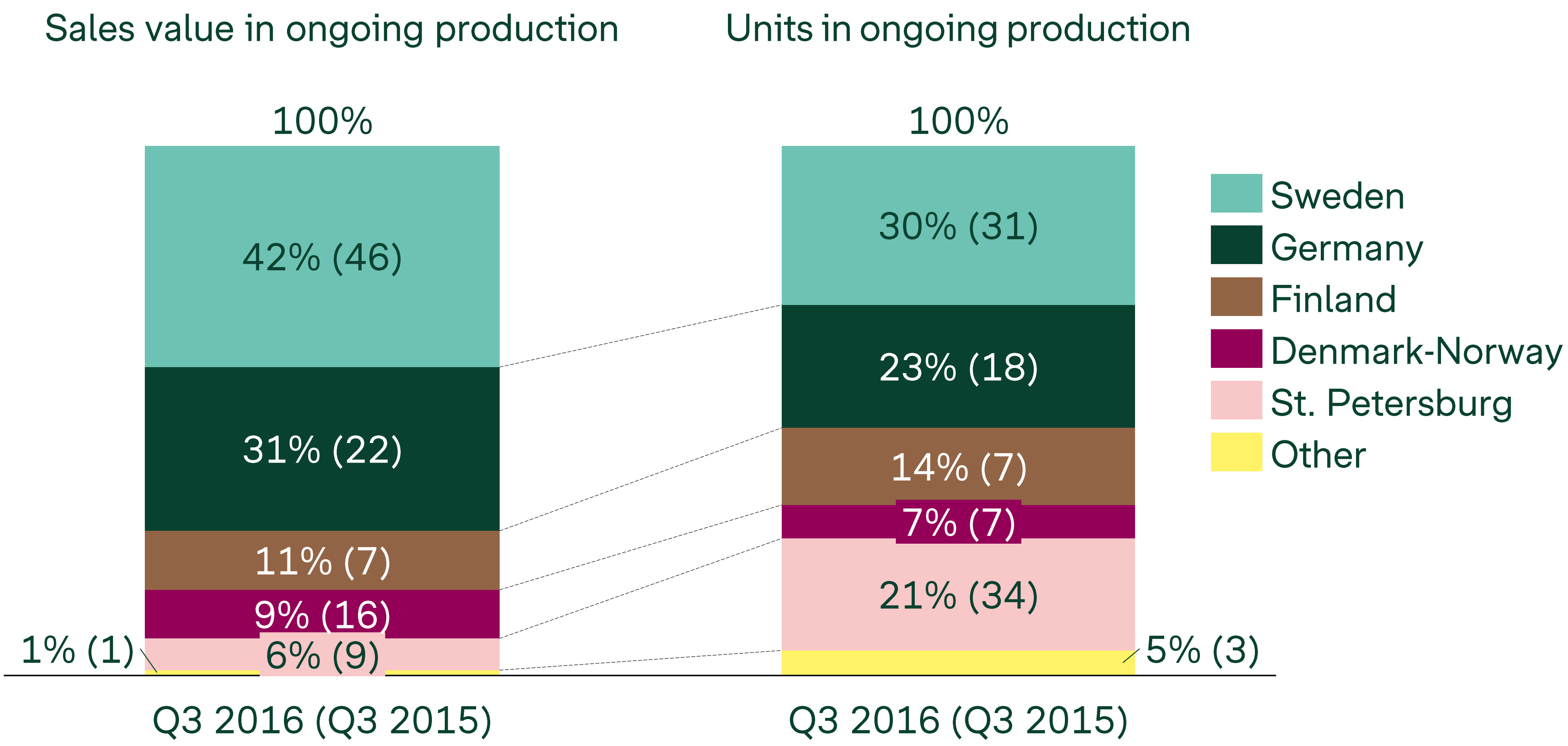
Consumers

- Strong demand in Sweden and Germany
- Good demand and price development in Copenhagen
- Stronger demand and prices in Norway
- Finland burdened by a weak economy
- St. Petersburg awaiting

Investors

- Good demand in Sweden, Germany, Denmark and Finland
- First investor deal in Denmark

Ongoing production to consumers concentrated to Sweden and Germany



Project started in third quarter

Fælledudsigten II

- Copenhagen, Denmark
- 74 rental apartments sold for SEK 224 M
- First investor sale in Denmark

Project started in third quarter

Elvebredden I

- Bergen, Norway
- 53 units to consumers
- Modern apartments close to nature

Project started in third quarter

Schönefeld

- Schönefeld, Germany
- 96 rental apartments sold to investors for SEK 174 M
- Affordable rental apartments close to Berlin

Project started in third quarter

Tollare Marina

- Stockholm, Sweden
- 97 units to consumers
- Sustainable living in a beautiful setting

Bonava wins brand award in Germany

- Strongest brand in the residential development industry in Germany according to [EUREB Institute]
- Examined responses from 70 companies and 340,000 individuals in the process of looking for a new home

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Ann-Sofi Danielsson, CFO

Financial objectives

ROACE	Equity to assets ratio	Dividend policy
10-15%	> 30%	> 40%
15%	27%	R12 EPS 9.03 SEK

Strong net sales and EBIT development

	2016	2015	2016	2015	2015
MSEK	**Jul-Sep**	**Jul-Sep**	**Jan-Sep**	**Jan-Sep**	**Jan-Dec**
Net sales	**2,327**	**2,128**	**6,908**	**5,756**	**13,070**
Gross profit	381	324	1,063	786	2,054
Selling and administrative costs	-125	-144	-425	-423	-583
Non-recurring costs	-28	0	-62	0	-57
EBIT	**228**	**180**	**577**	**362**	**1,377**
Net financial items	-68	-87	-212	-269	-345
Profit after financial items	159	93	365	94	1,033
Tax on profit	-34	-18	-78	-19	-235
Net profit	125	75	287	75	798

Group EBIT breakdown

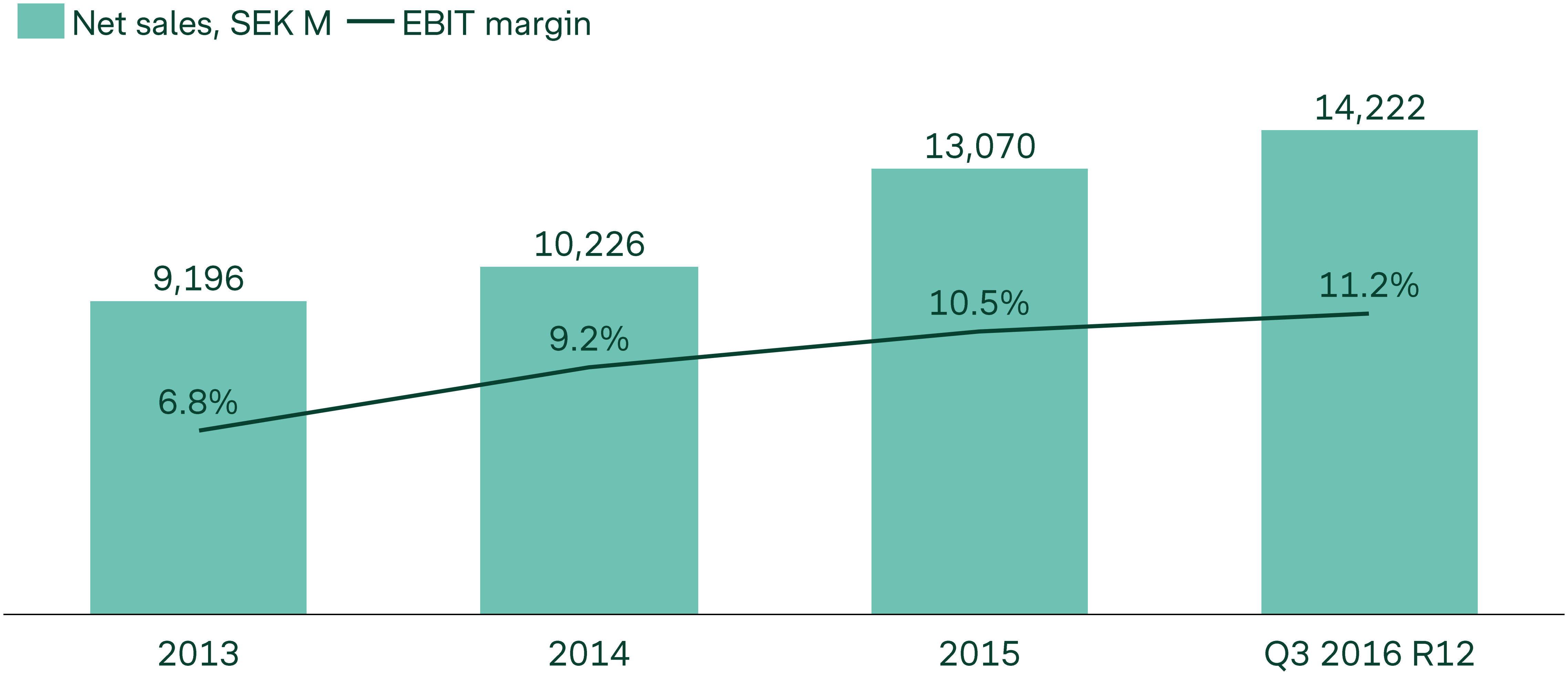
	2016	2015	2016	2015	2015
MSEK	**Jul-Sep**	**Jul-Sep**	**Jan-Sep**	**Jan-Sep**	**Jan-Dec**
Sweden	109	171	537	313	706
Germany	92	34	134	99	422
Finland	-22	37	-70	105	187
Denmark-Norway	44	-41	50	-106	-3
St. Petersburg	34	3	144	31	197
Other/eliminations	-30	-23	-219	-81	-132
Group EBIT	**228**	**180**	**577**	**362**	**1,377**

Other/eliminations

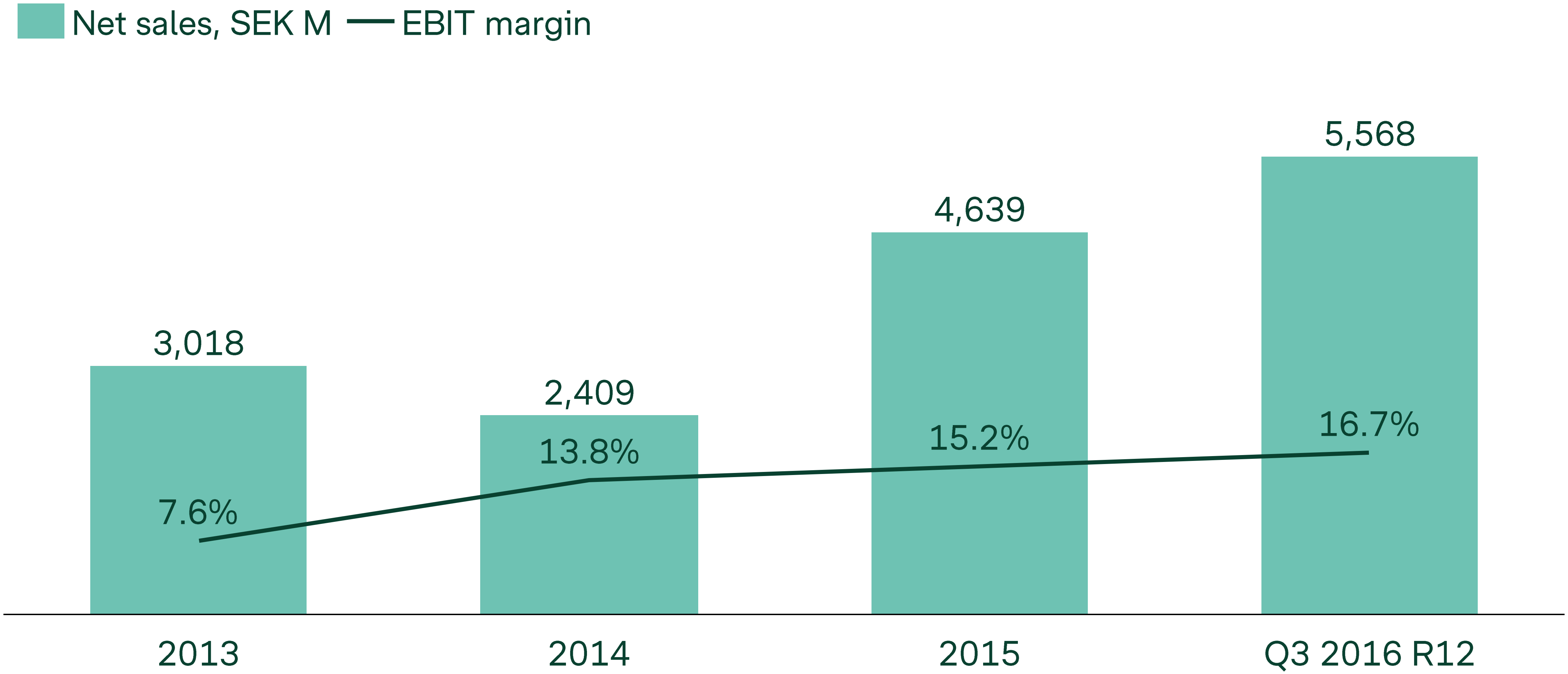
	2016	2015	2016	2015	2015
MSEK	**Jul-Sep**	**Jul-Sep**	**Jan-Sep**	**Jan-Sep**	**Jan-Dec**
Sweden					
Germany					
Finland					
Denmark-Norway					
St. Petersburg					
Other/eliminations					
Group EBIT					

Other/eliminations	**2016**	**2016**
MSEK	**Jul-Sep**	**Jan-Sep**
Head Office	-43	-145
Sale of land in Latvia		-89
Operations in Estonia and Latvia	13	17
Total	**-30**	**-219**

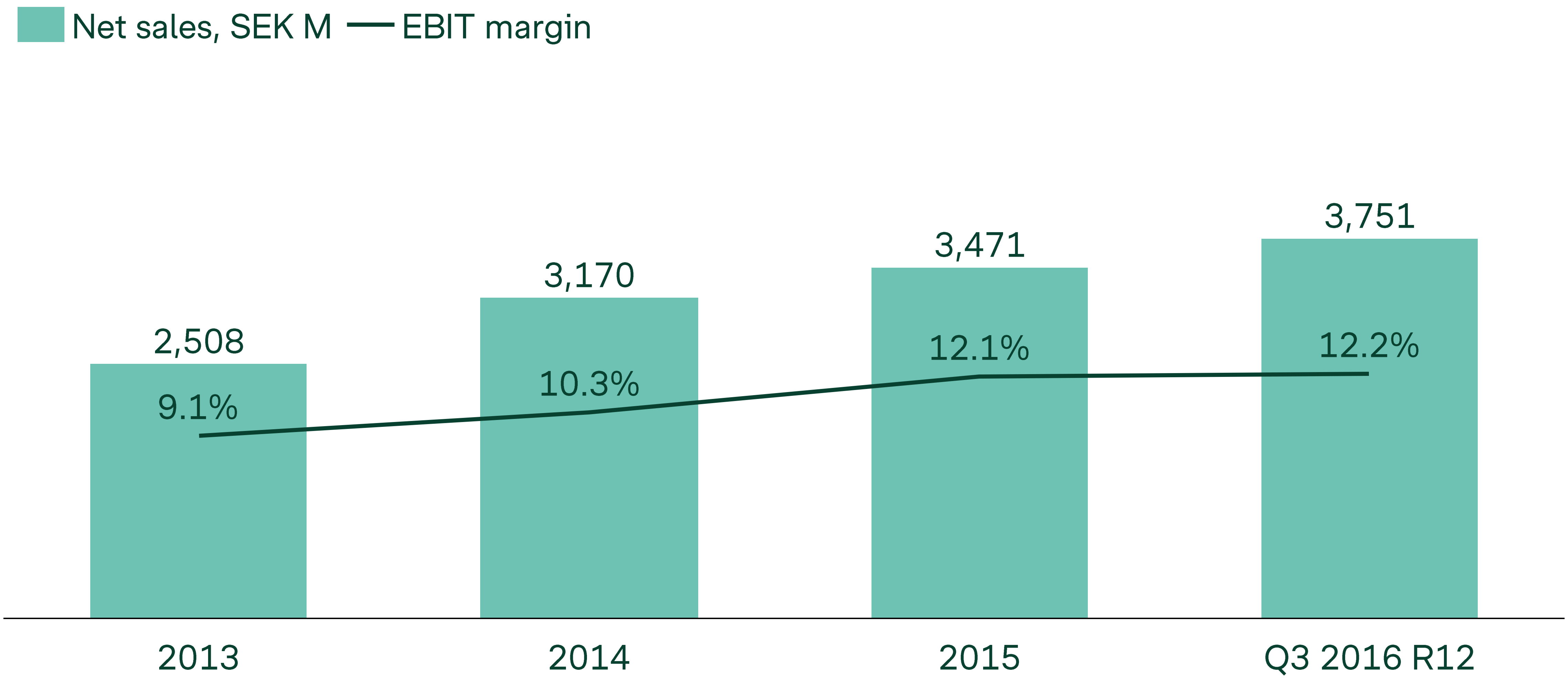
Strong net sales and margin improvement



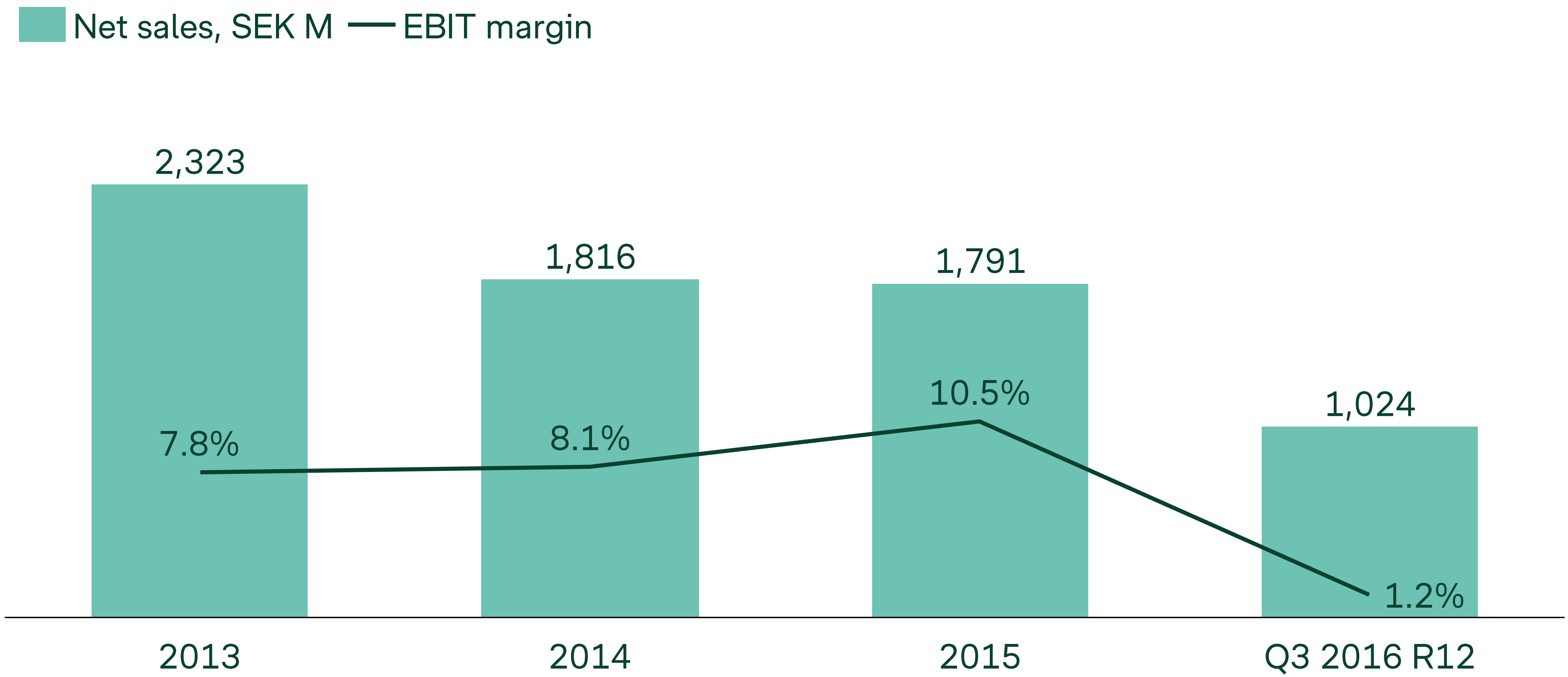
Bonava Sweden
Strong net sales and margin



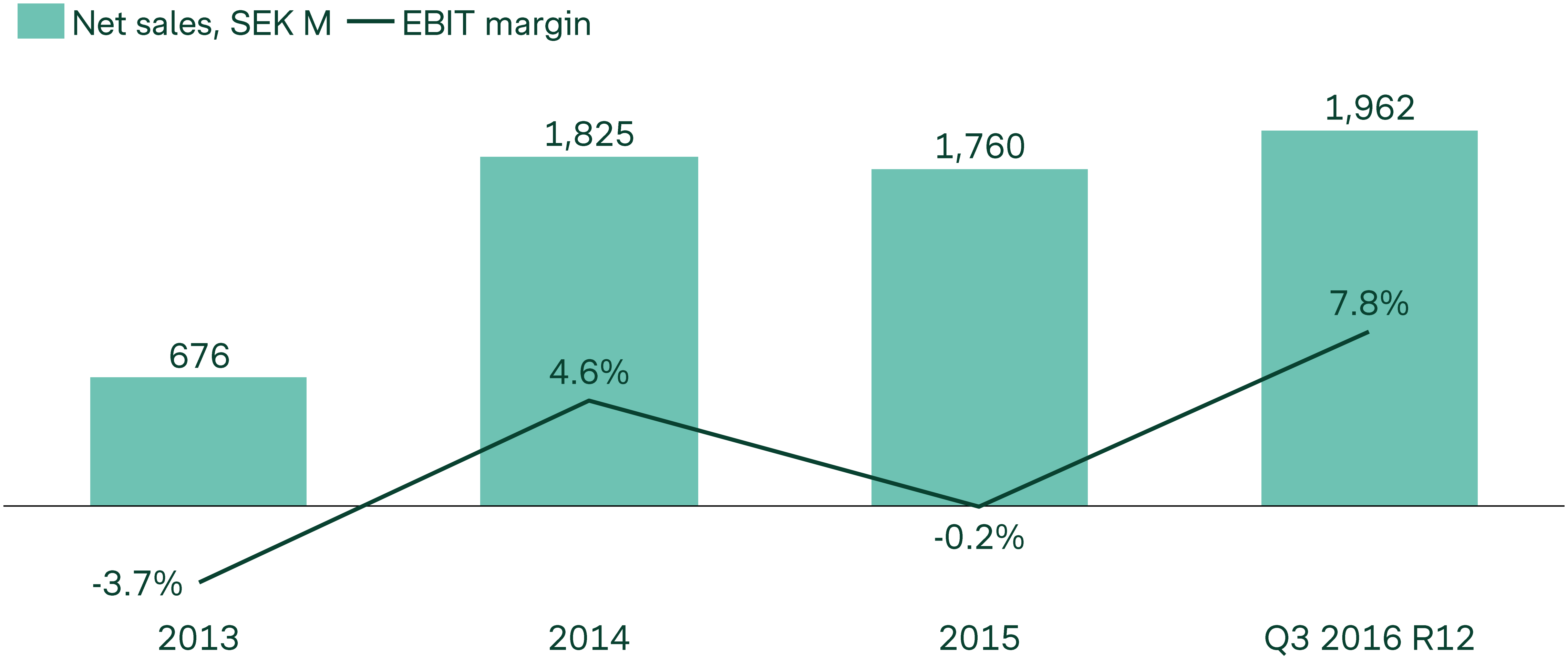
Bonava Germany
Stable net sales and margin



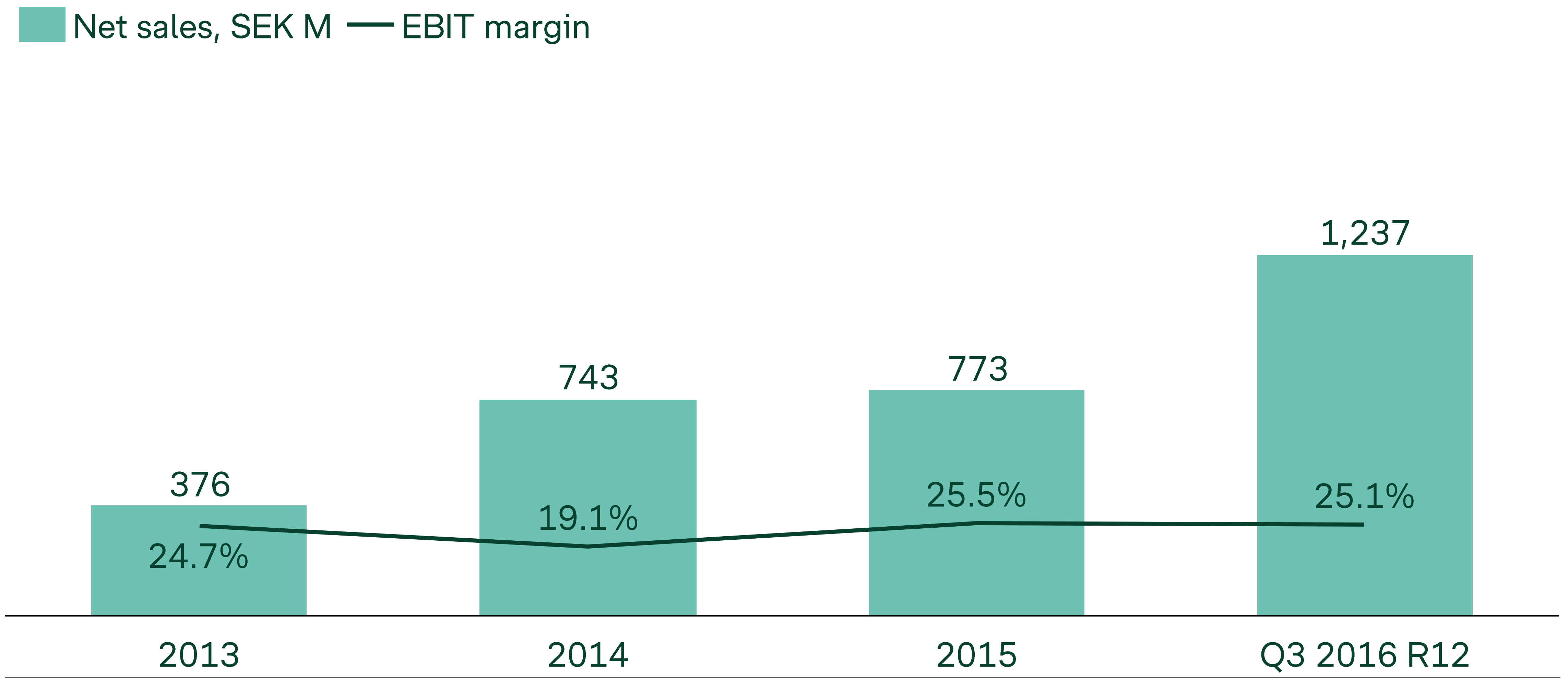
Bonava Finland
Few units recognised for profit



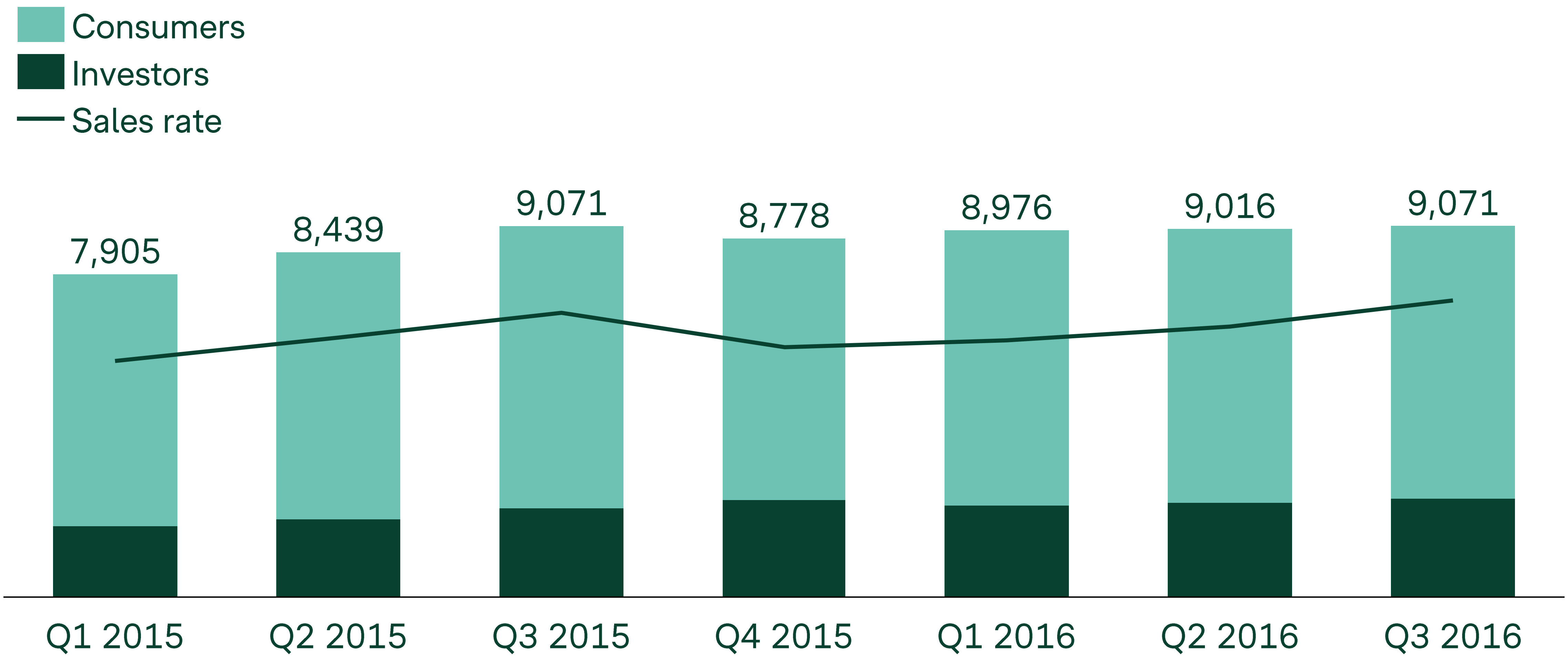
Bonava Denmark-Norway
Positive trend



Bonava St. Petersburg
Stable margin

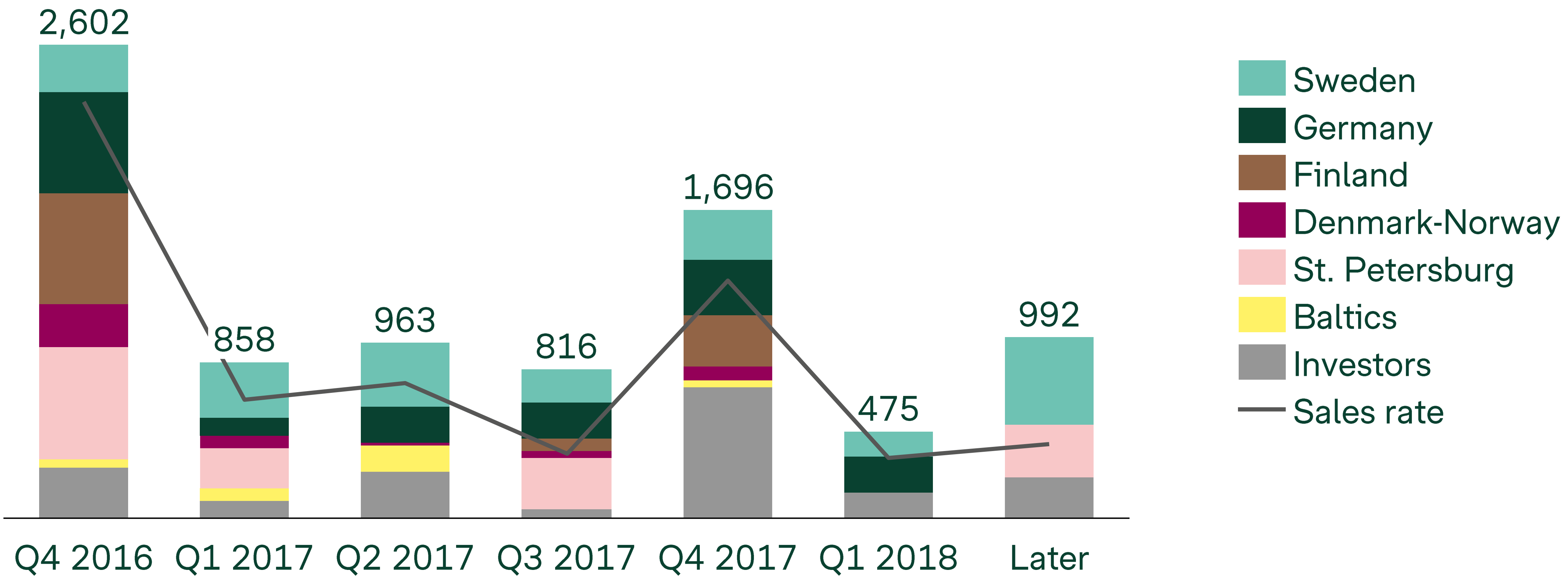


High number of units in production and high sales rate

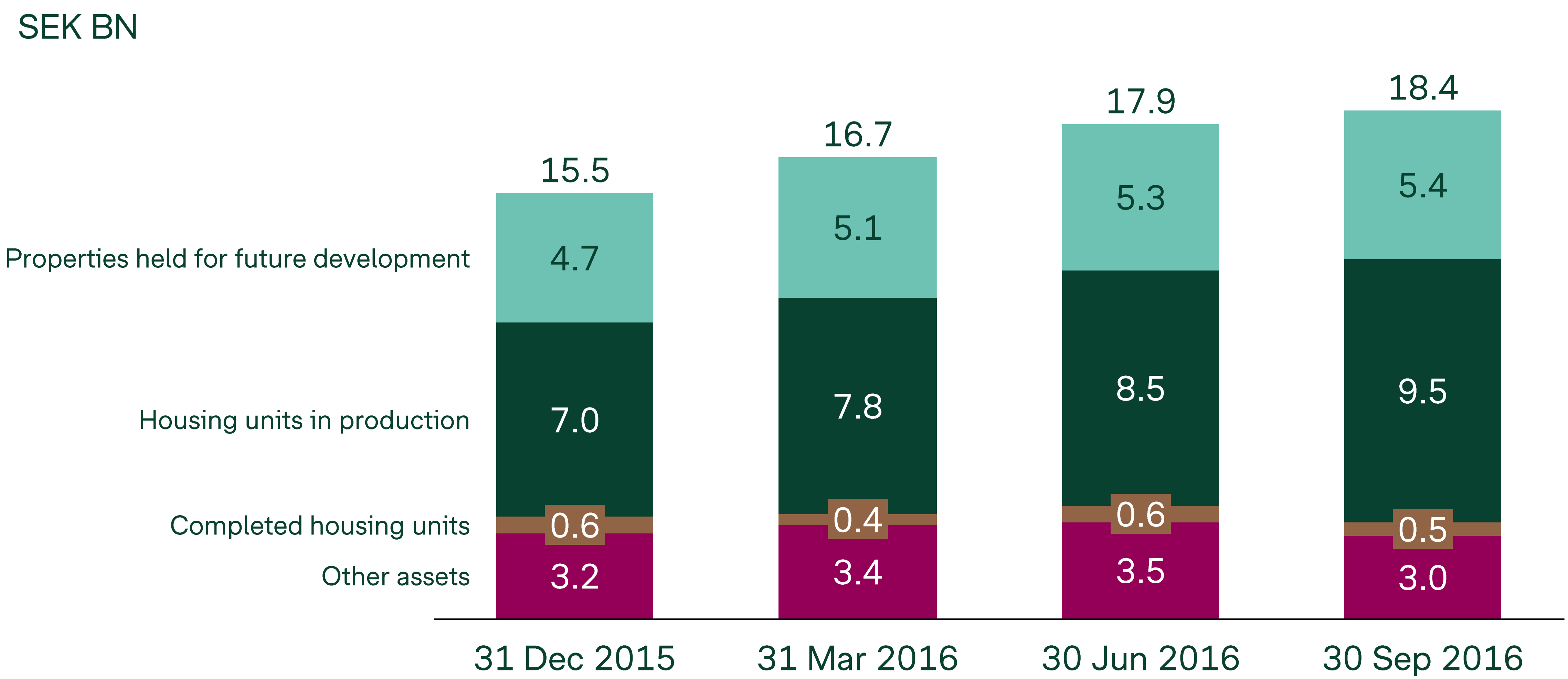


More units to be recognised from 2017 onwards

Estimated completions of ongoing production, housing units



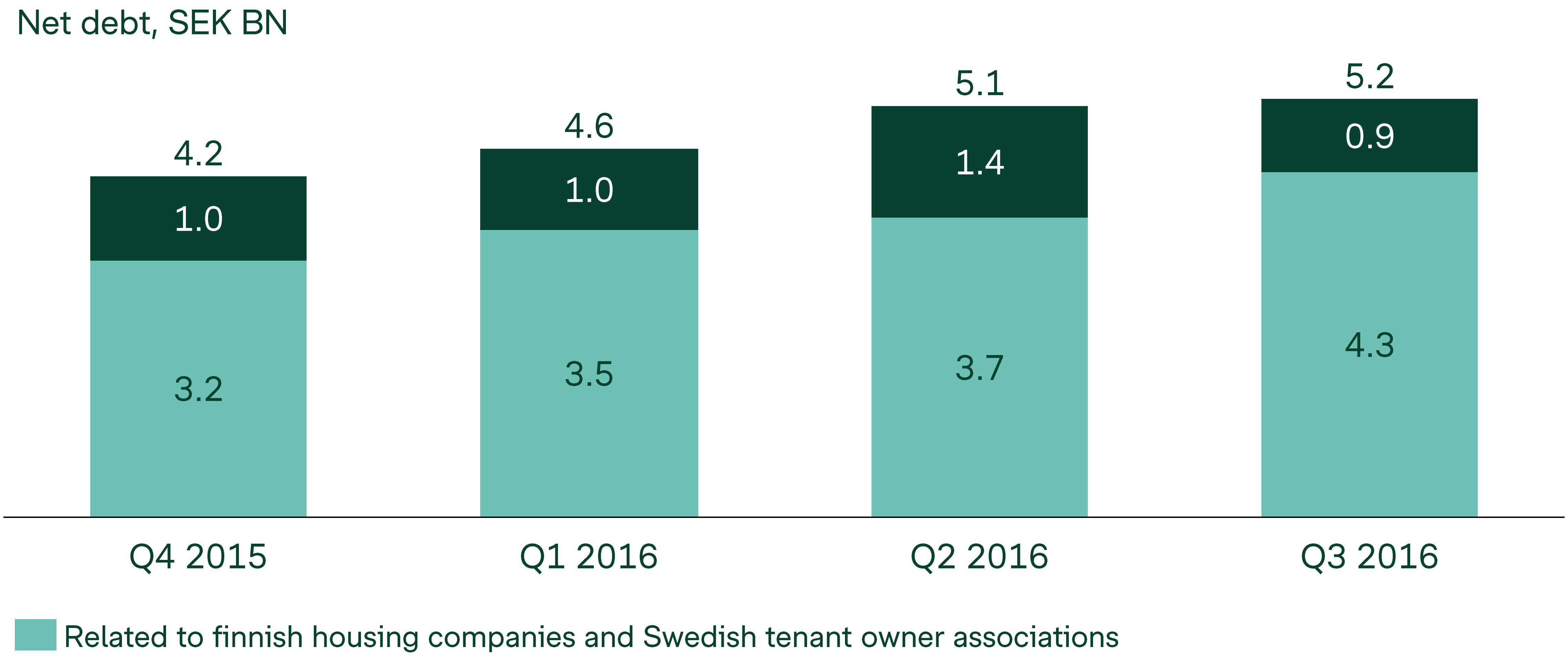
Higher worked up ratio



Large investments in production

	2016	2015	2016	2015	2015
MSEK	**Jul-Sep**	**Jul-Sep**	**Jan-Sep**	**Jan-Sep**	**Jan-Dec**
Operating activities	80	7	195	-17	959
Sales of housing projects	1,956	1,920	5,755	4,997	10,075
Investments in housing projects	-2,686	-2,423	-8,092	-6,647	-9,842
Other changes in working capital	645	667	1,360	1,017	258
Operating activities	-5	170	-781	-650	1,450
Investing activities	-27	-19	-112	-45	-13
Cash flow before financing	**-32**	**152**	**-893**	**-695**	**1,437**

Strong financial position



Summary

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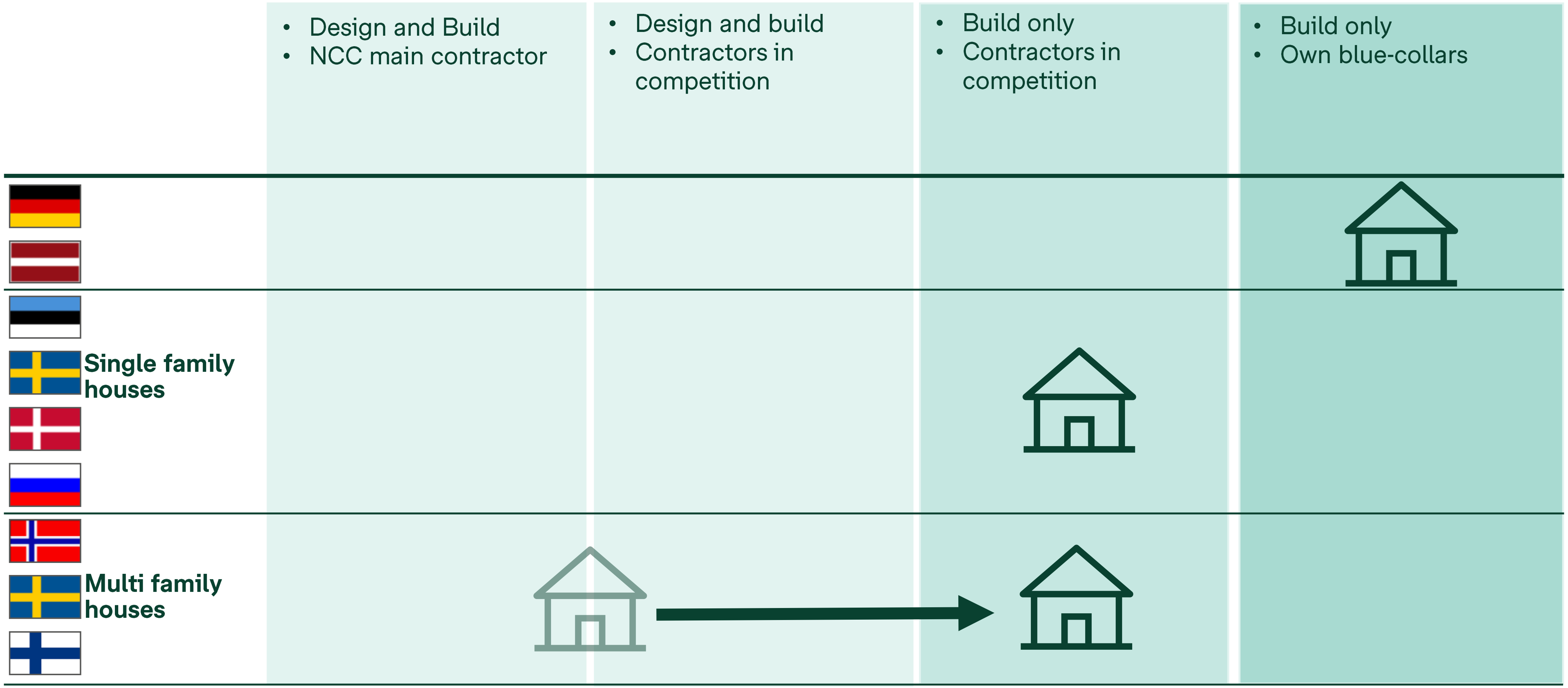
Production delivery is moving towards build only in all markets



Summary

- Strong profit development
- Strongest brand in Germany
- More units recognised from 2017 onwards
- Strong ROACE and financial position

Q&A

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