BONAVA

Q4 2017

Joachim Hallengren, CEO
Ann-Sofi Danielsson, CFO

Strong net sales and result for the year

2017 in brief

- Increased net sales and profit
  - Net sales 14,479 (13,492) MSEK
  - EBIT 1,946 (1,562) MSEK
  - EBIT margin 13.4 (11.6) %
  - EPS 12.99 (9.26) SEK
- Sold units 5 702 (6 233)
- Proposed dividend of SEK 5.20 (3.80) per share

Good result for the quarter

Q4 in brief

- Net sales 6,055 (6,584) MSEK
- EBIT 820 (985) MSEK
  - EBIT margin 13.5 (15.0) %
- EBIT includes profit from land divestments of 45 (197) MSEK
- Continued growth in Germany

Good sales performance

Q4	2017

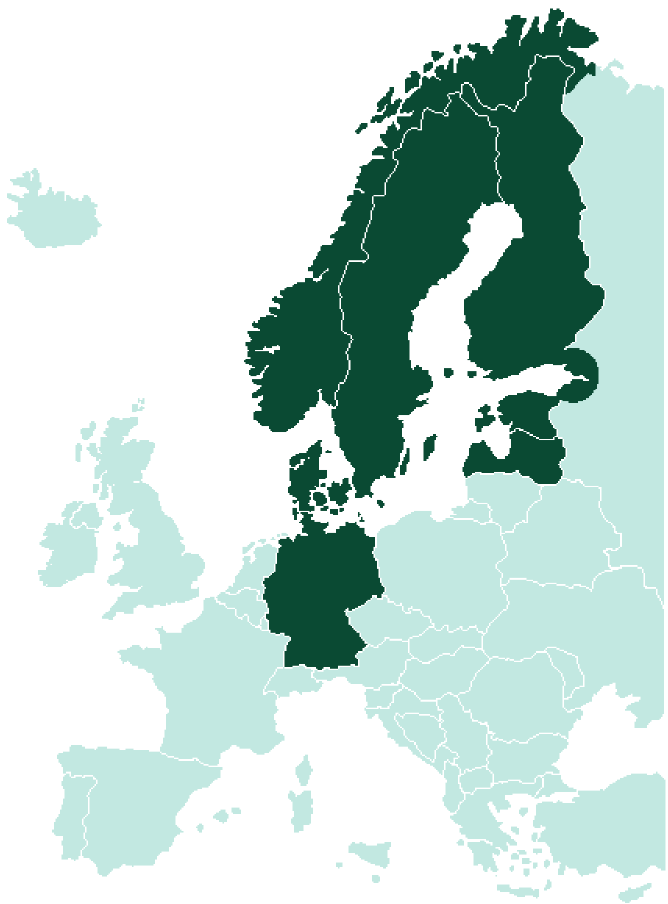
Q4

- Sold units 2,496 (2,717)
- Housing starts 2,603 (2,682)
- 9,880 (9,113) units in production

2017

- Sold units 5,702 (6,233)
- Housing starts 6,702 (5,832)
- 9,880 (9,113) units in production

Good demand in our markets



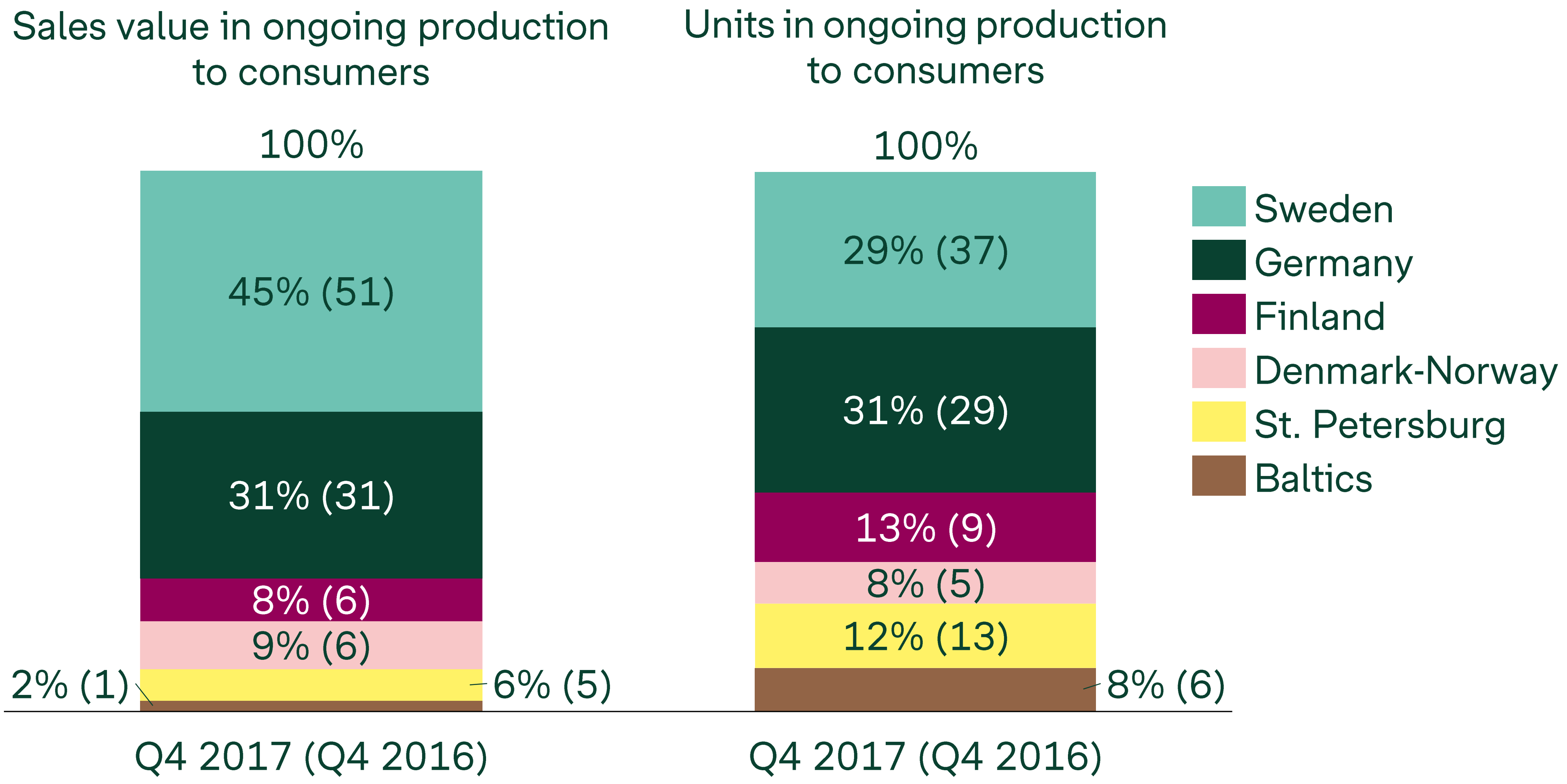
Consumers

- Strong demand in Germany
- Good demand in Finland and Denmark
- Solid demand in Norway (Bergen)
- Cautious market in Sweden and St. Petersburg

Investors

- Strong demand in Sweden, Germany, Finland, Denmark and Norway

Continued growth in Germany



Projects started in Q4

Apartments in Gothenburg, Sweden

- Kvarnbytornet
- 77 units to consumers
- Unique neighbourhood from a sustainability perspective

Apartments in Heidelberg, Germany

- Studentenapartments
- 167 units to investors
- Student apartments close to city center

Projects started in Q4

Apartments in Copenhagen, Denmark

- Længehuset
- 35 to consumers
- Neighbourhood for over 400 families when completed

Apartments in Vantaa, Finland

- Vantaan Kultarikonpolku
- 75 units to investors
- Modern apartments with areas for sporting activities

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Q4 2017

Ann-Sofi Danielsson, CFO

Outcome financial objectives and dividend policy 2017

ROACE	Equity to assets ratio	Dividend policy
10-15%	> 30%	> 40%
16.6%	33.7%	SEK 5.20 per share (EPS 12.99)

Strong net profit

	2017	2016	2017	2016
SEK BN	**Oct-Dec**	**Oct-Dec**	**Jan-Dec**	**Jan-Dec**
Net sales	6,055	6,584	14,479	13,492
Gross profit	1,057	1,193	2,768	2,257
Selling and administrative expenses	-236	-185	-822	-610
Non-recurring items		-22		-85
EBIT	820	985	1,946	1,562
Net financial items	-61	-68	-226	-279
Profit after financial items	759	918	1,721	1,283
Tax	-109	-201	-319	-278
Tax %	14.4%	21.9%	18.5%	21.7%
Net profit	650	717	1,402	1,004

EBIT excl. sales of land in line with last quarter

	2017	2016	2017	2016
SEK BN	**Oct-Dec**	**Oct-Dec**	**Jan-Dec**	**Jan-Dec**
EBIT	820	985	1,946	1,562
Sales of land	45	197	492	188
EBIT excl. sales of land	**775**	**788**	**1,455**	**1,374**

Strong net profit

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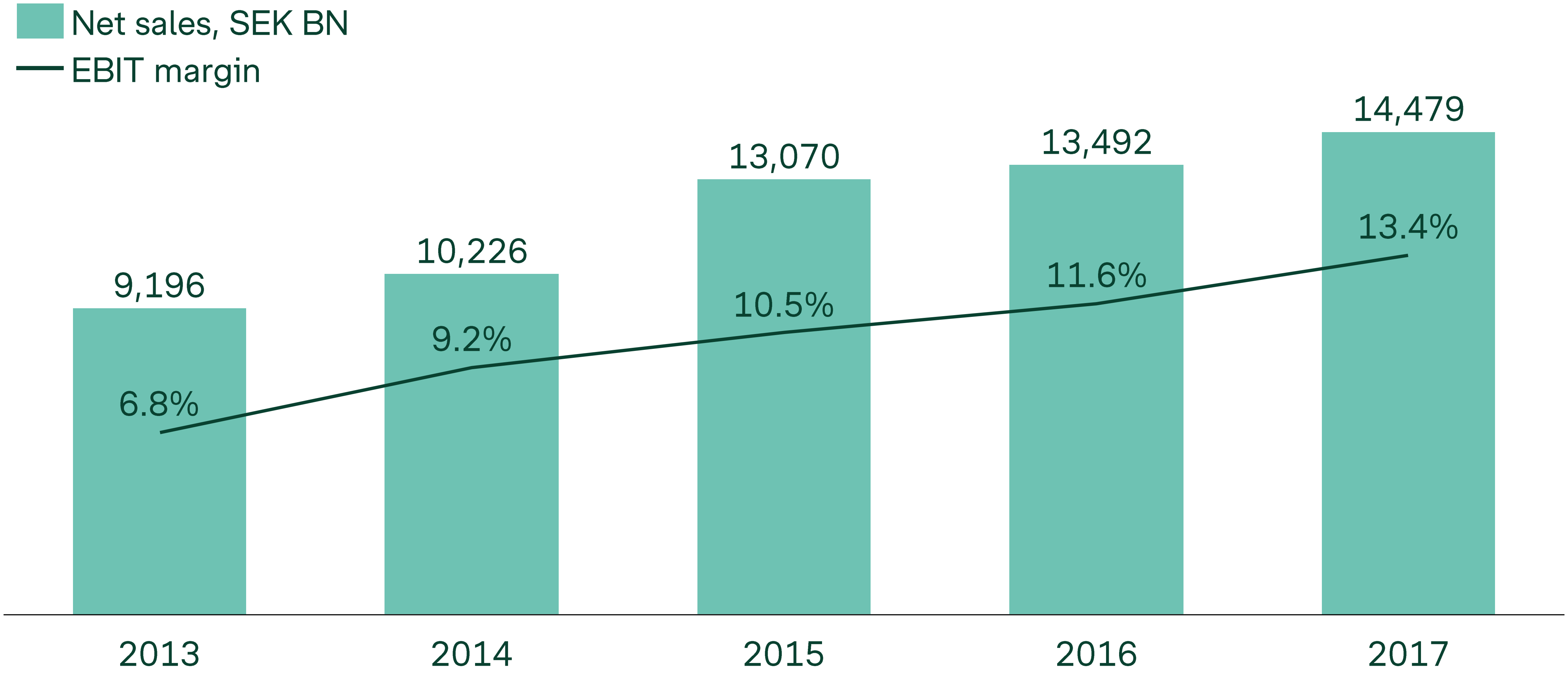
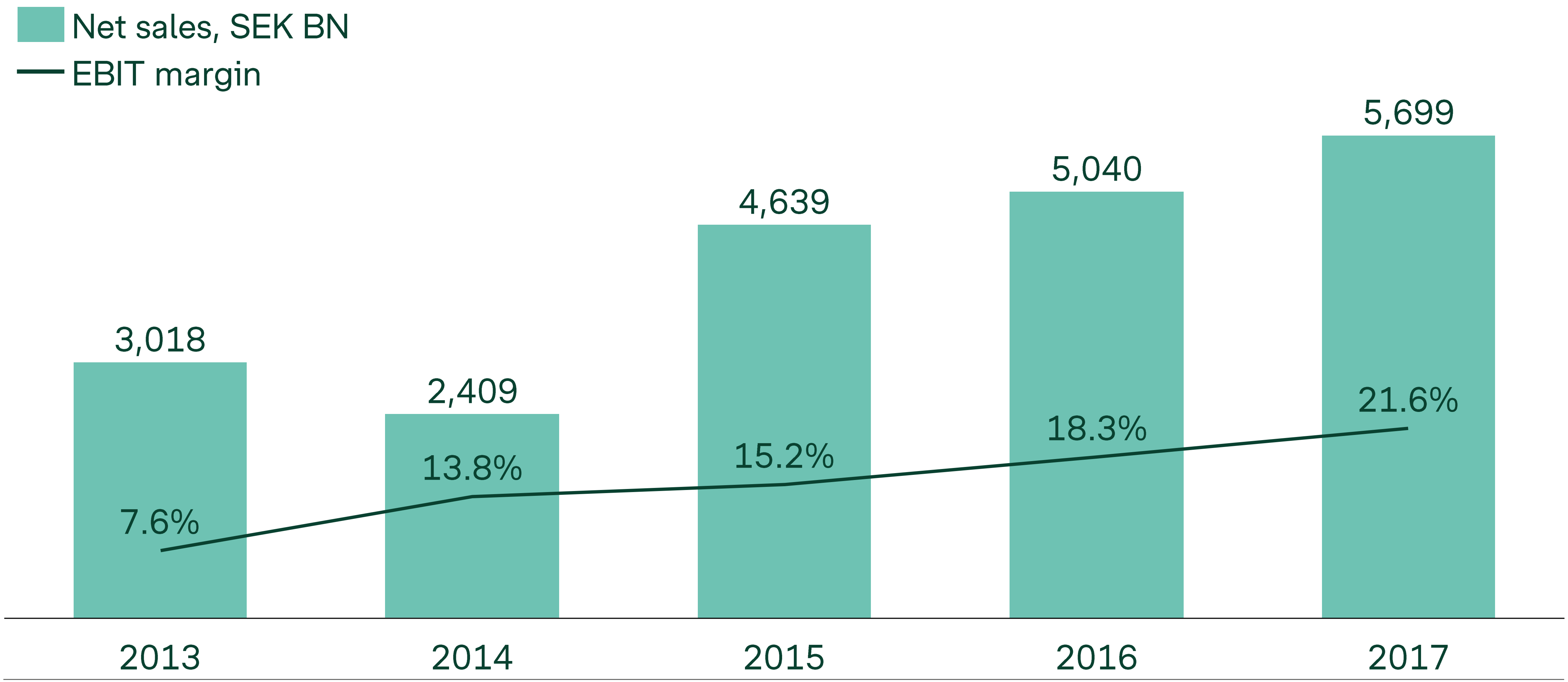
Strong contribution from Germany

	2017	2016	2017	2016
SEK BN	**Oct-Dec**	**Oct-Dec**	**Jan-Dec**	**Jan-Dec**
Sweden	226	383	1,230	920
Germany	424	342	668	477
Finland	68	163	1	92
Denmark-Norway	138	144	141	194
St. Petersburg	48	34	104	178
Other and eliminations	-84	-80	-197	-298
Group EBIT	**820**	**985**	**1,946**	**1,562**

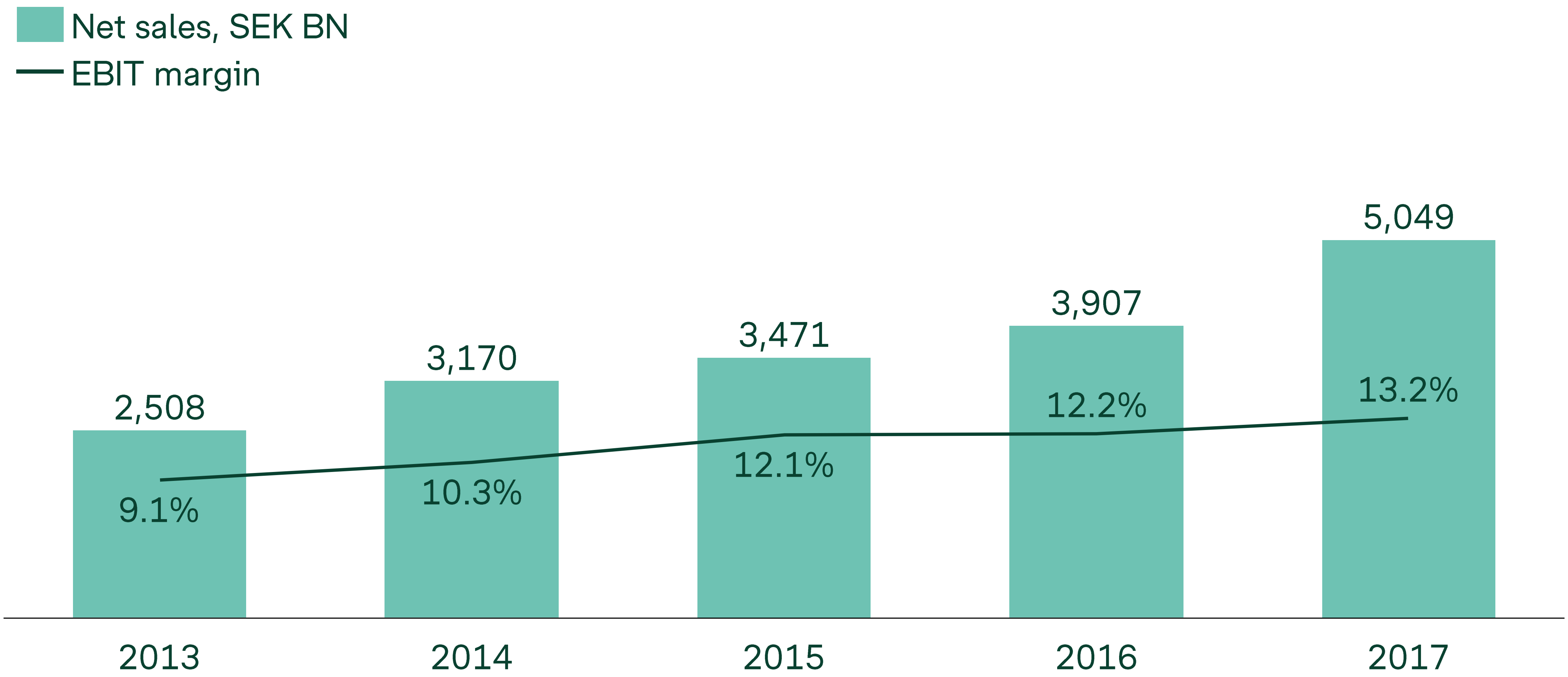
Strong net sales and profit development



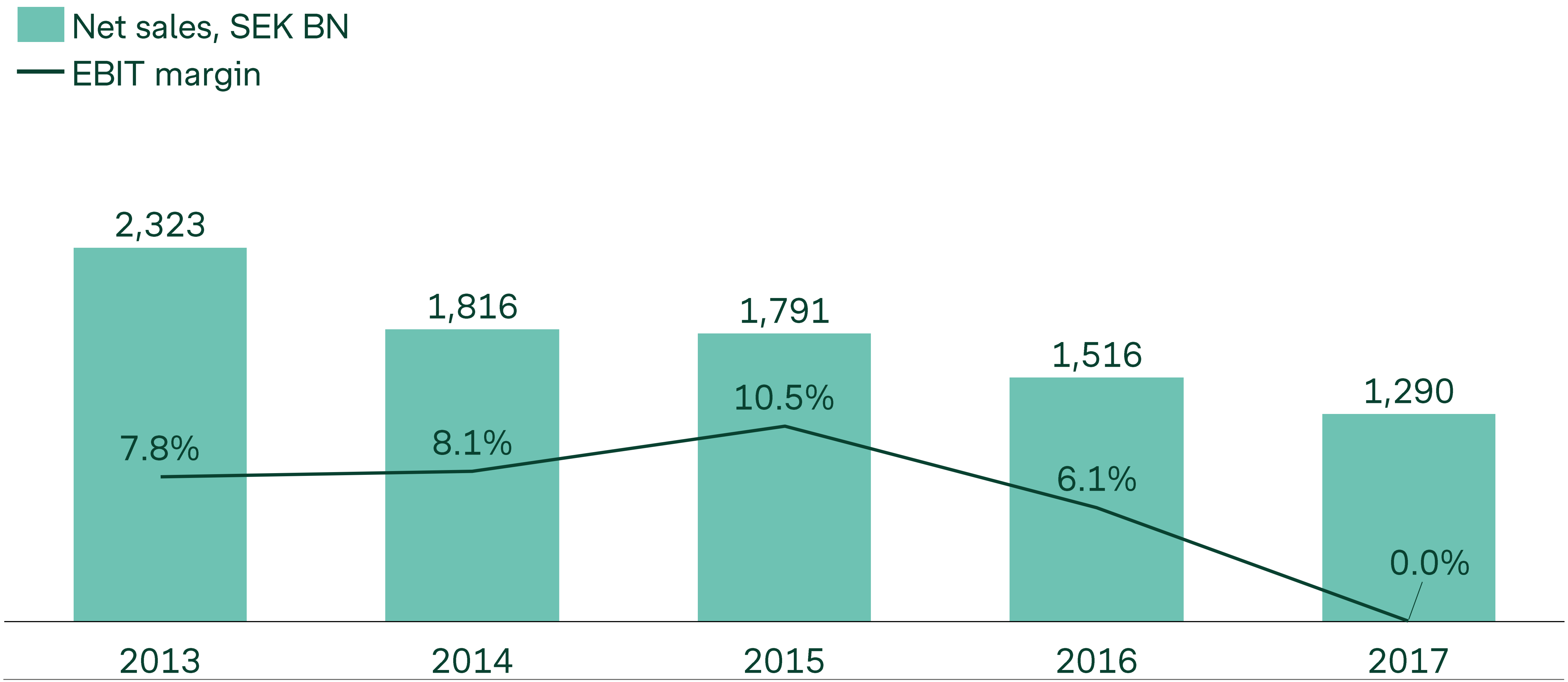
Bonava Sweden
Strong net sales and margin



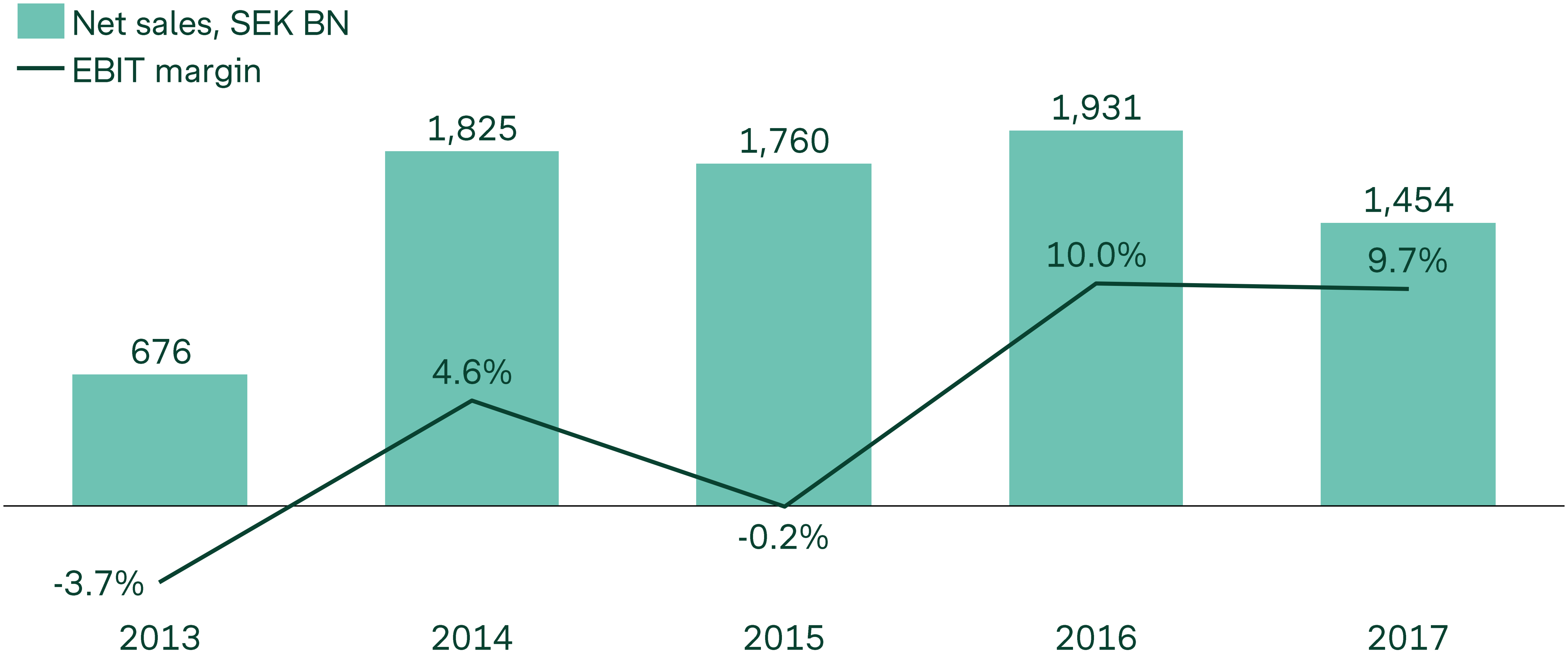
Bonava Germany
High net sales and improved margin



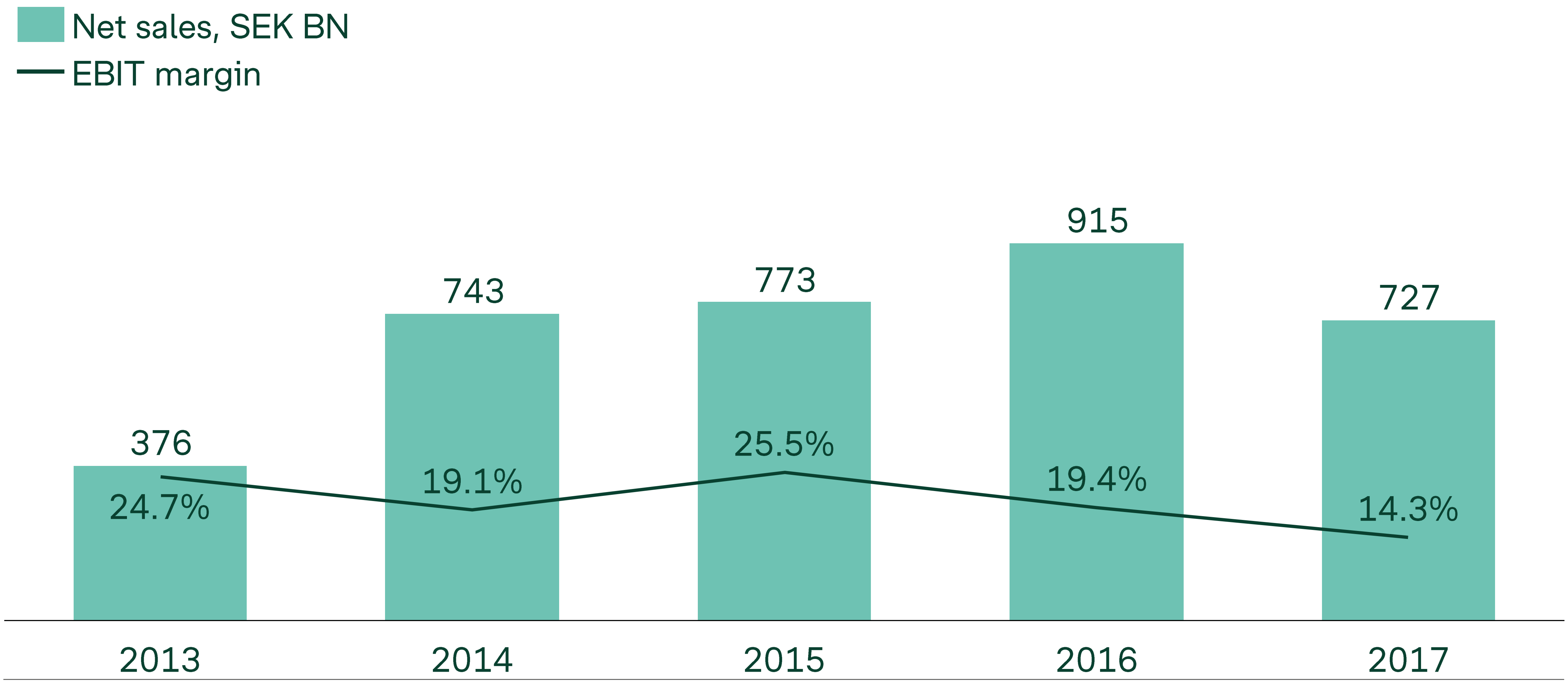
Bonava Finland
Lower net sales and decreased margin



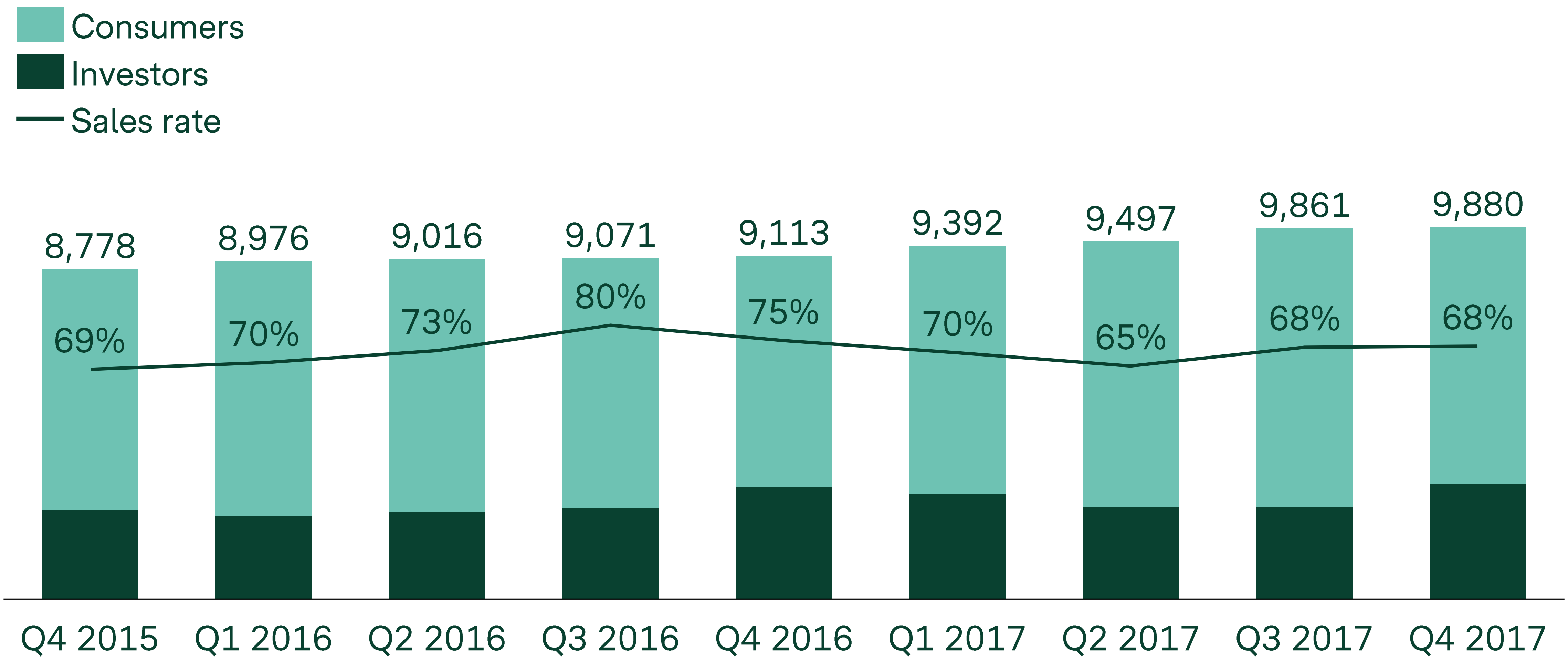
Bonava Denmark-Norway
Lower net sales at stable profit margin



Bonava S:t Petersburg
Lower net sales and EBIT margin

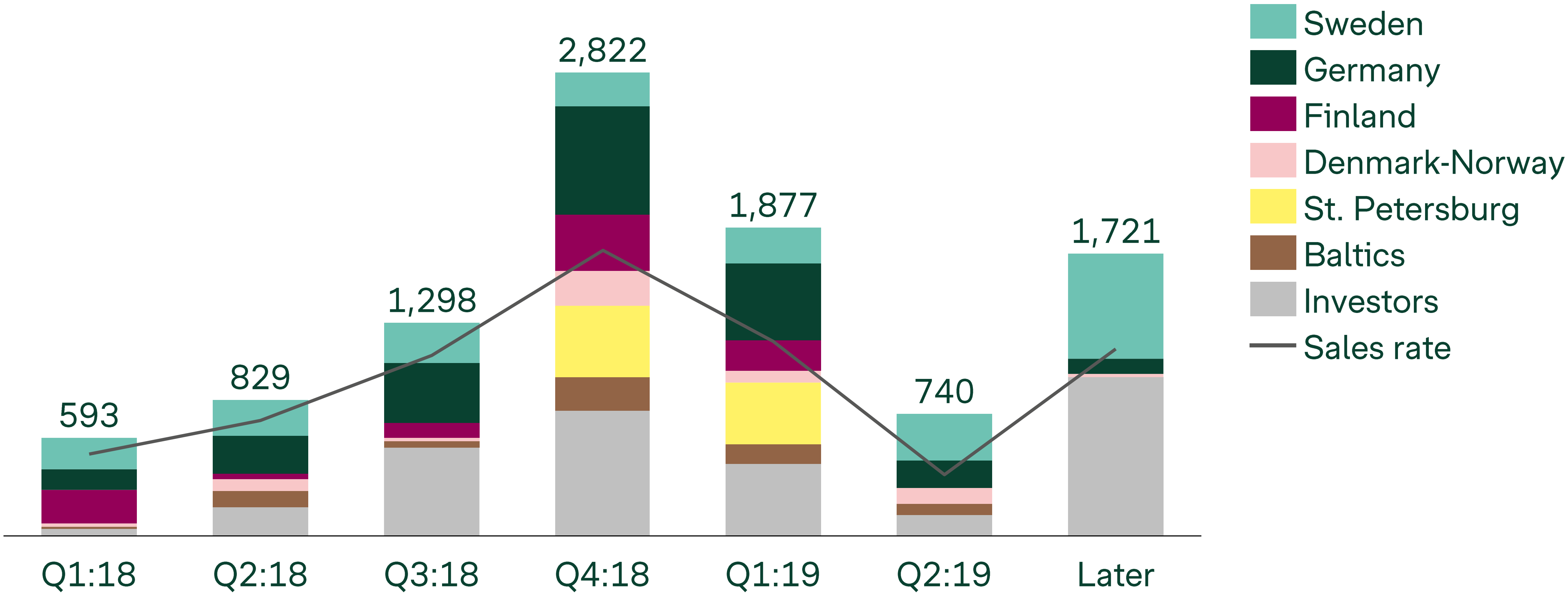


Balanced risk profile in project portfolio



High sales rate in units to be completed coming three quarters

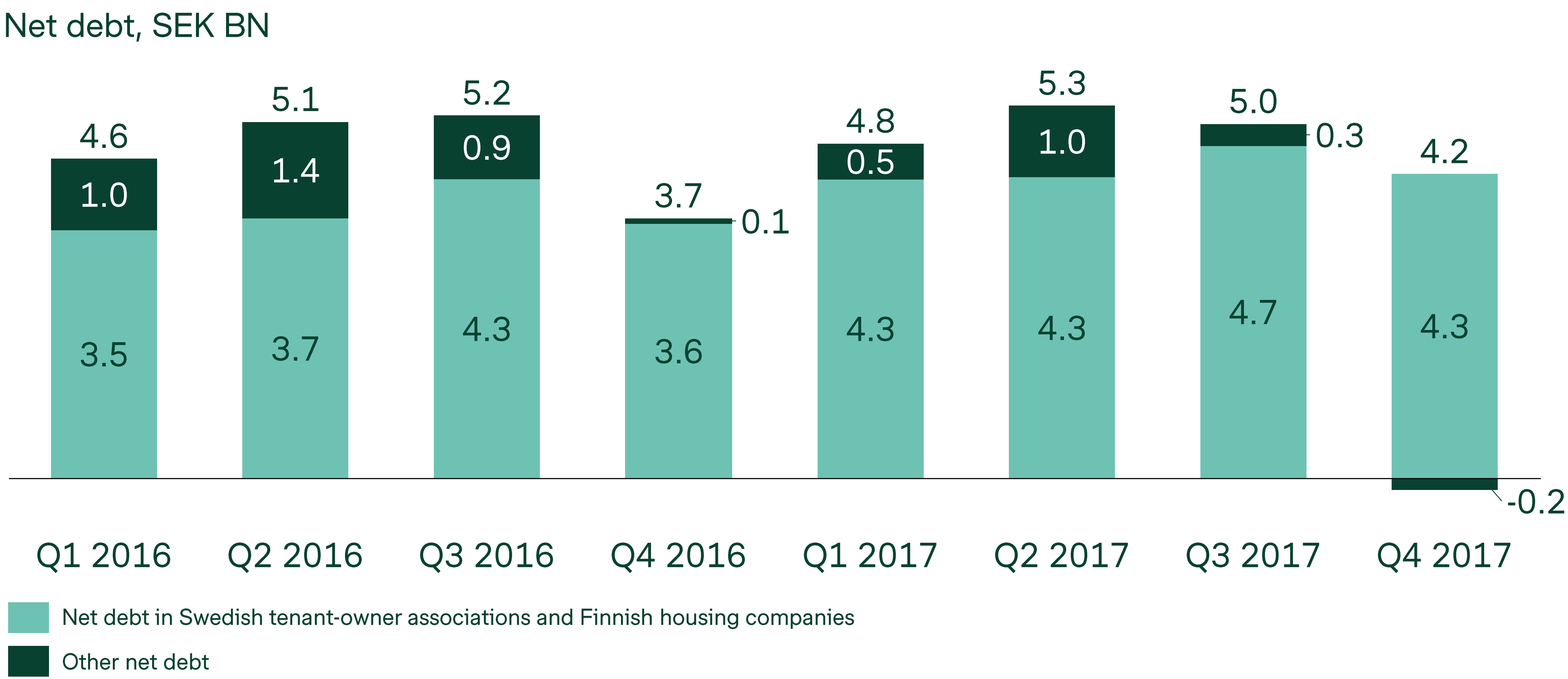
Estimated completions of ongoing production, housing units



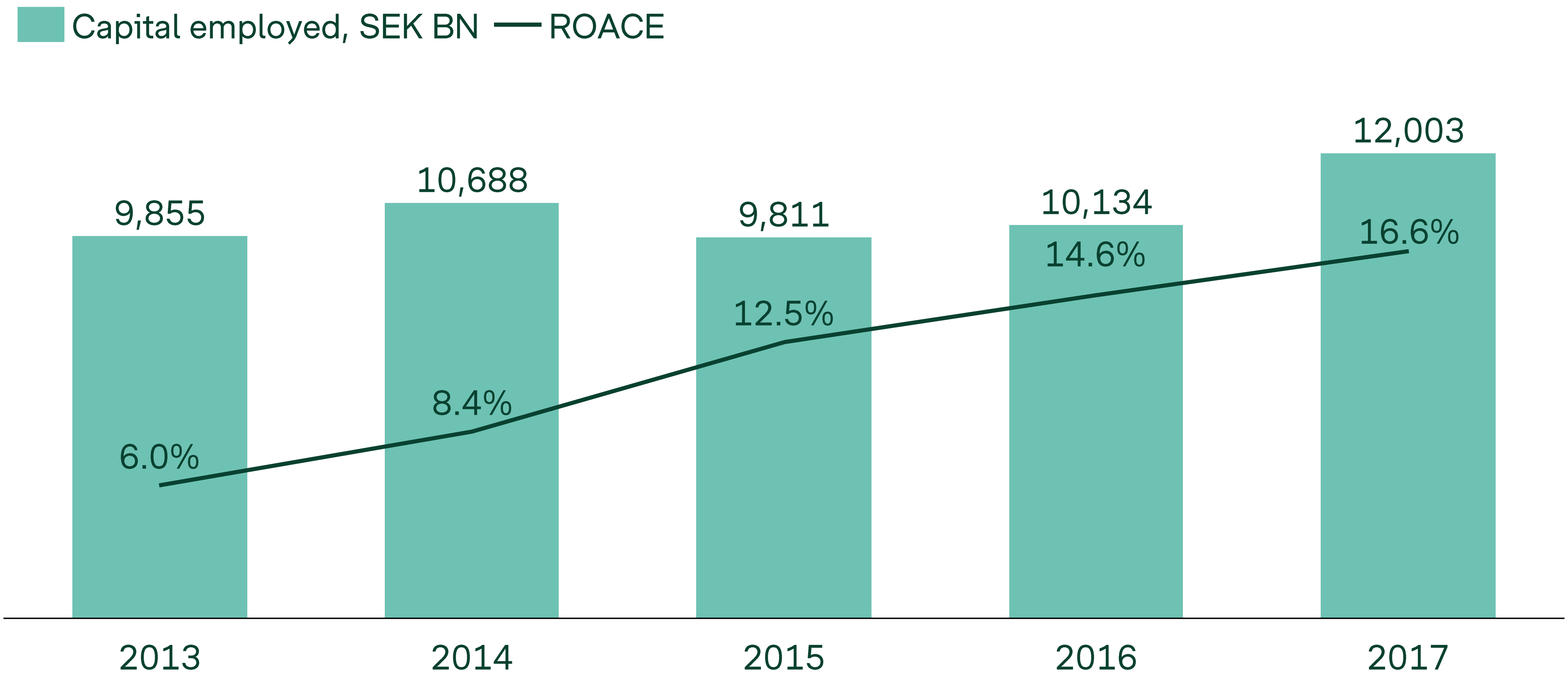
Positive cash flow in the quarter

	2017	2016	2017	2016
SEK BN	**Oct-Dec**	**Oct-Dec**	**Jan-Dec**	**Jan-Dec**
Operating activities	762	892	1,462	1,087
Sales of housing projects	5,087	5,052	11,940	10,807
Investments in housing projects	-4,222	-3,447	-14,210	-11,538
Other changes in working capital	-535	-1,008	893	352
Cash flow from operating activities	**1,092**	**1,489**	**85**	**708**
Investing activities	-12	-61	-111	-173
Cash flow before financing	**1,080**	**1,428**	**-26**	**536**

Strong financial position



Strong profit increased return on capital employed



New international accounting principles 2018 and 2019

- IFRS 9 Financial Instruments
- IFRS 15 Revenue from Contracts with Customers
- IFRS 16 Leases

Summary

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Summary

- Strong net sales and result for the year
- Good result for the quarter
- Continued growth in Germany
- Diversified business model
- Strong financial position

Q&A

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