



Interim Report, January–March 2020

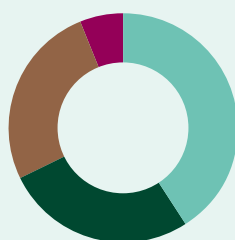


A solid financial position for uncertain times ahead

1 JANUARY – 31 MARCH 2020

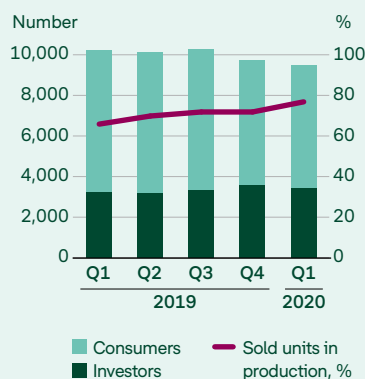
- Net sales amounted to SEK 2,949 M (2,837)
- Operating profit totalled SEK 31 M (165)
- Operating margin was 1.1 per cent (5.8)
- Profit after financial items was SEK 2 M (134)
- Profit for the period after tax amounted to SEK 2 M (100)
- Cash flow before financing was SEK -203 M (-1,095)
- Earnings per share was SEK 0.01 (0.93)²⁾
- Return on capital employed was 7.0 per cent¹⁾ (13.2)
- Sales value of housing units sold in the period amounted to SEK 3,278 M (1,839)
- Solid access to financing, unutilised financing facilities totalled SEK 2,557 M (1,605)

Net sales per segment rolling 12 month

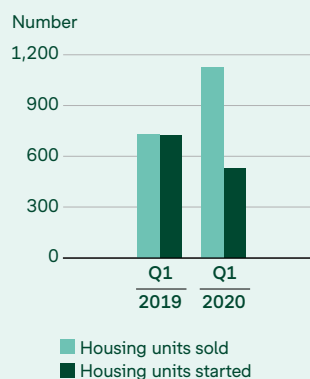


Germany, 41%
Sweden, 27%
Nordic, 26%
St. Petersburg-Baltics, 6%

Number of housing units in production and percentage of housing units sold



Number of housing units sold and housing starts



	2020 Jan-Mar	2019 Jan-Mar	Apr 2019- Mar 2020	2019 Jan-Dec
Net sales	2,949	2,837	15,586	15,474
Operating profit ¹⁾	31	165	1,067	1,202
Operating margin, % ¹⁾	1.1	5.8	6.9	7.8
Profit after financial items	2	134	702	834
Profit for the period after tax	2	100	516	615
Earnings per share, SEK ²⁾	0.01	0.93	4.79	5.71
Cash flow before financing	-203	-1,095	754	-138
Net debt	7,101	7,031	7,101	6,873
Capital employed at period end	15,043	14,998	15,043	14,933
Return on capital employed, % ¹⁾	7.0	13.2	7.0	8.1
Equity/assets ratio, %	29.6	33.1	29.6	32.1
Number of housing units sold in the period	1,129	731	5,560	5,162
Sales value of housing units sold in the period	3,278	1,839	15,915	14,477
Number of housing starts in the period	531	723	4,259	4,451
Number of housing units in production at period end	9,466	10,212	9,466	9,732
Sales rate for ongoing production, %	77	66	77	72
Value of housing units sold, not yet recognised for profit, SEK Bn	21.8	20.2	21.8	21.1
Number of housing units recognised for profit for the period	947	1,268	5,190	5,511

¹⁾ Excluding items affecting comparability.

²⁾ Before and after dilution.

For definitions of key ratios, see bonava.com/en/investor-relations/financial-information

Comments from the CEO

Bonava had a strong start to the year, with more housing units sold in the first quarter than the preceding year. We also started significantly more housing units in Germany and Sweden. This positive trend held until mid-March, when the world was hit hard by COVID-19. Even though Bonava's production has been running without serious disruptions, we noted a clear slowdown in the strong sales performance in all our markets that only a few weeks earlier had signalled a good start to the year.

Net sales excluding exchange rate effects were on a par with the preceding year. The number of housing units delivered was lower, but was offset by the higher average price of housing units delivered this year. The decreased operating profit and weaker profitability are attributable to weaker project margins in Nordic and the fact that earnings for the year-earlier period were boosted by the large number of housing units delivered in St. Petersburg-Baltics. Cash flow for the quarter was stronger, totalling SEK -203 M (-1,095).

MORE SOLD AND STARTED UNITS IN GERMANY

Owing to a strong start to the year, Bonava Germany exceeded the preceding year's housing sales, and we also started more projects. Bonava Germany delivered more housing units to consumers this year, which explains the growth in net sales for the quarter. The lower margin for the quarter is attributable to the project mix. Two projects in the Rhein-Ruhr region with somewhat narrower margins than the average in the German portfolio, yielded lower profitability. This does not entail any changes in margin expectations, but is a typical effect of our accounting method – individual projects that are delivered impact profitability specifically in that quarter. One student housing project in Heidelberg was completed but could not be recognised in profit as planned as a consequence of a delayed mandatory final inspection.

STRONG SALES IN SWEDEN EARLY IN THE YEAR

Bonava Sweden's housing sales were strong, in both ongoing projects and the ones from the stock. Our first-rate project in Kristineberg is now largely sold out. Housing units in Tollare Nacka, for which we held a new launch, also sold well. Bonava Sweden started more housing units, which was a sign of strength. Net sales increased as a result of larger volumes, which also enabled an improvement in earnings.

PROFITABILITY WAS IMPACTED BY THE LOW-MARGIN PROJECTS MENTIONED EARLIER

For Bonava Nordic as well, the quarter was marked by a healthy increase in sales compared with 2019, attributable to Finland. Bonava's housing units in stock decreased, and we started a new project in Helsinki. Sales increased in Nordic as a result of a higher number of housing units delivered during the quarter. As previously communicated, operating profit for the period was burdened by projects delivered with lower margins, which will also have a negative impact in the second and third quarters. Increased selling and administrative expenses reflect Nordic's new level as a result of the integration of the Urbanium acquisition in Oslo.

LARGE DIFFERENCE BETWEEN QUARTERS IN VOLUMES DELIVERED IMPACTED PROFITABILITY

In St. Petersburg-Baltics, sales of Bonava's housing units were slightly lower than the year-earlier period and production startups were fewer. This is due to where the projects are in the development cycle rather than a sign of a declining market. Net sales and operating profit decreased year-on-year as a result of the major difference in housing units delivered.



JOACHIM HALLENGREN, PRESIDENT AND CEO

A SOLID FINANCIAL POSITION FOR UNCERTAIN TIMES AHEAD

The initially positive signals on all of Bonava's markets have been overturned because of COVID-19. The global economy has already been severely affected, and at present we do not know what the new normal will be once the pandemic has subsided. Experts are predicting a slump, and how the housing market will perform remains to be seen. At the same time, we are seeing a gathering of strength in the form of support measures from national governments and the EU, as well as central banks, which are taking measures to promote support for the economy. At present, it is extremely difficult to know what the consequences will be over the long term. Bonava is of the opinion that our production rate will slow with delays as a result, which carries a risk of a significant impact on net sales and operating profit for 2020. We also believe that demand for housing units will be negatively impacted, at least until the situation has cleared up and stabilised.

Our priority in these times is naturally health and safety – for our employees, our customers, and our partners. At the same time, we are keeping a focus on our business, and we are working hard to mitigate and reduce the risks in our operations. The objective is for Bonava, with its financial strength, to stand well-equipped to benefit from the business opportunities that will arise when the situation has stabilised.

Joachim Hallengren
President and CEO

Group performance

JANUARY-MARCH 2020

Operational performance

Net sales

Net sales excluding effects from exchange rates were on par with the year-earlier period, totalling SEK 2,949 M (2,837).

During the quarter, 832 housing units (1,037) for consumers were recognised for profit, and net sales totalled SEK 2,622 M (2,358). The average price per housing unit was higher than the year-earlier period, amounting to SEK 3.2 M (2.3). A large project in St. Petersburg, with housing units at low average prices, was recognised for profit during the preceding year.

During the quarter, 115 housing units (231) for investors were recognised for profit in Nordic, and net sales totalled SEK 294 M (468). Exchange rate fluctuations had a positive impact of SEK 44 M on consolidated net sales compared with the year-earlier period.

Operating profit

Operating profit totalled SEK 31 M (165). The lower profit level and operating margin is due to the previously communicated weaker project margins in Nordic as well as the decrease in housing units delivered during the period, 947 compared to 1,268 in the year-earlier period. The decrease in number of housing units recognised in profit was primarily related to St. Petersburg – Baltics where 167 units (519) were handed over. Selling and administrative expenses

were in line with prior year (SEK -229 M compared to SEK -230 M) and the combination of lower volumes and lower project margins in Nordic hence explains the lower project margin.

Exchange rate fluctuations had a positive impact of SEK 1 M on operating profit compared with the year-earlier period.

Net financial items, tax and profit for the period

Net financial items were SEK -29 M (-32). Profit after financial items for the quarter was SEK 2 M (134).

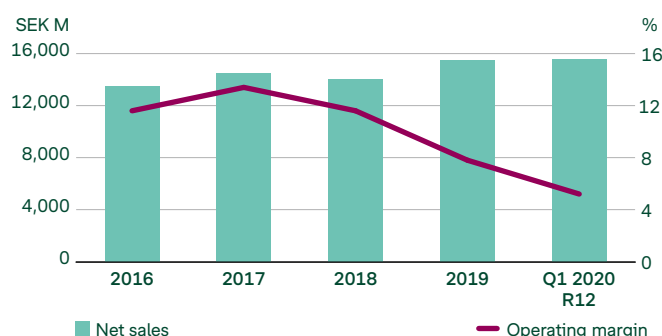
Tax on profit for the quarter was SEK -1 M (-34), corresponding to a tax rate of 25 per cent (25).

Profit for the period after tax totalled SEK 2 M (100).

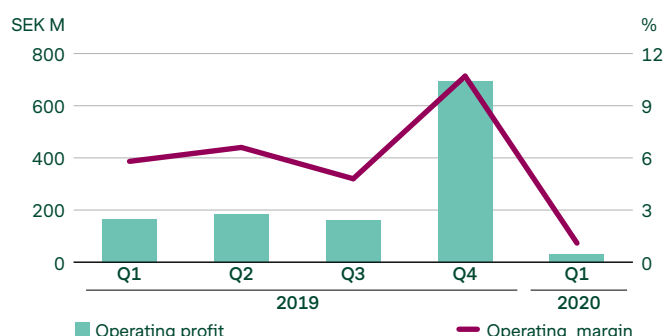
COVID-19 update

COVID-19 had a limited impact on Bonava's operations in the first quarter. Production essentially continued but with certain disruptions. One project in Germany, with 167 housing units planned for recognition for profit, was delayed owing to the fact that the final inspection of the housing units could not be performed. Bonava has several ongoing activities related to costs and cash flow, and has taken various measures to mitigate risks and enhance flexibility.

Net sales and operating margin¹⁾



Operating profit and operating margin¹⁾



	2020 Jan-Mar	2019 Jan-Mar	Apr 2019- Mar 2020	2019 Jan-Dec
Net sales per segment				
Germany	722	703	6,380	6,361
Sweden	1,170	788	4,243	3,861
Nordic	816	799	4,017	4,000
St. Petersburg-Baltics	241	547	946	1,252
Total	2,949	2,837	15,586	15,474

	2020 Jan-Mar	2019 Jan-Mar	Apr 2019- Mar 2020	2019 Jan-Dec
Operating profit/loss¹⁾				
Germany	7	28	807	829
Sweden	114	91	473	450
Nordic	-64	2	-89	-23
St. Petersburg-Baltics	28	105	118	194
Parent Company and adjustments	-54	-60	-242	-248
Total	31	165	1,067	1,202

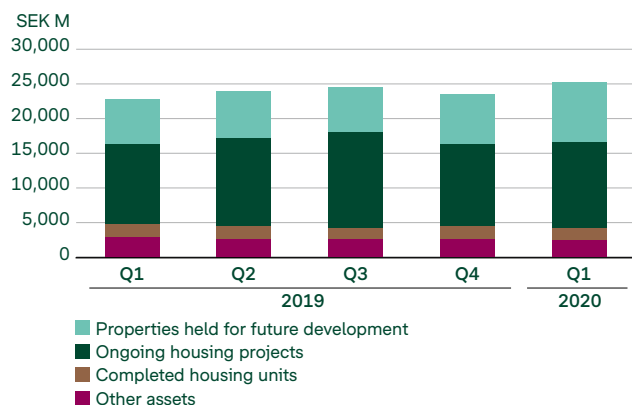
¹⁾ Excluding items affecting comparability.

Financial position, investments and cash flow

TOTAL ASSETS

Total assets were SEK 25,304 M (22,865). The increase was primarily attributable to a higher value on properties held for future development and ongoing housing projects.

Distribution of assets

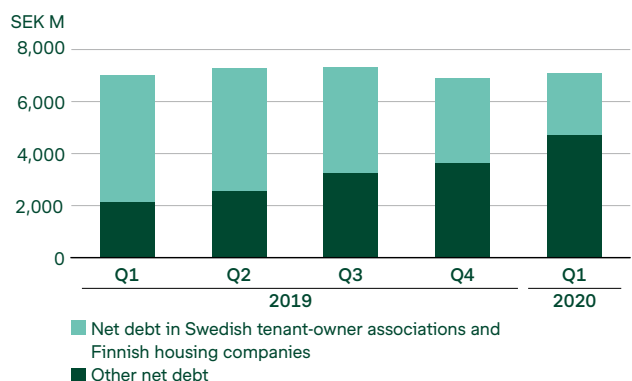


NET DEBT

Net debt amounted to SEK 7,101 M (7,031). The net debt of Swedish tenant-owner associations and Finnish housing companies totalled SEK 2,379 M (4,881), of which SEK 706 M (1,122) pertained to financing via Parent Company credit facilities directly attributable to Swedish tenant-owner associations. The change is attributable to reductions in housing units in production in Sweden.

Net debt for other operations was SEK 4,722 M (2,150). The increase is attributable to the acquisition in Oslo during the fourth quarter 2019 and investments in properties held for future development in Germany and Sweden. Net debt at 31 December 2019 totalled SEK 6,873 M.

Net debt



CAPITAL EMPLOYED AND RETURN ON CAPITAL EMPLOYED

Return on capital employed was 7.0 per cent (13.2), excluding items affecting comparability. The lower return was attributable to a lower average operating profit owing to the previously communicated weaker project margins in Nordic and the effect of lower volumes in St. Petersburg – Baltics that had a negative impact on operating profit. The value of properties held for future development and ongoing housing projects increased and was offset by an increase in customer advances, which meant that capital employed at the end of the period in principle remained unchanged at SEK 15,043 M (14,998). At 31 December 2019, capital employed amounted to SEK 14,933 M.

EQUITY/ASSETS AND DEBT/EQUITY RATIO

At 31 March 2020, the equity/assets ratio was 29.6 per cent (33.1). The lower equity/assets ratio was due to an increase in properties held for future development and ongoing housing projects. The debt/equity ratio was 0.9 (0.9).

FINANCING

Access to unutilised financing totalled SEK 2,557 M (1,605) distributed across available overdraft facilities, loans not drawn and unutilised amounts in revolving credit facilities.

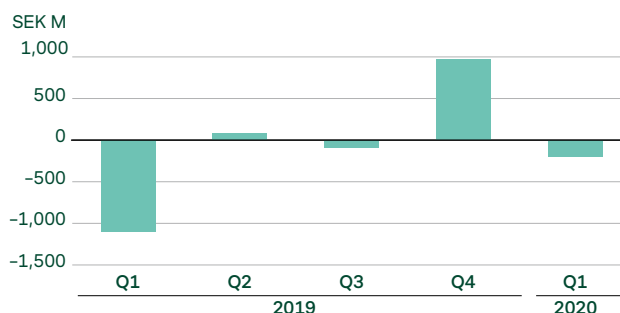
A green financing framework was launched during the quarter, which will enable financing with green bonds and green loans. The framework has been validated through a second opinion from Sustainalytics.

The bond market conditions deteriorated in the beginning of March as a consequence of COVID-19. Bonava therefore abstained from the planned SEK 1 Bn bond issuance. A bank loan was signed for the same amount in the end of March instead.

CASH FLOW JANUARY-MARCH 2020

Cash flow before financing for the quarter totalled SEK -203 M (-1,095). The change is attributable to higher customer advances, primarily in Germany but also in Sweden, as well as increased interest-free financing in Germany. This was offset only to a limited extent by lower cash flow from operating activities owing to lower earnings and a more negative impact from non-cash items, as well as greater investments in ongoing housing projects and properties held for future development in Germany compared with the corresponding period in 2019. Cash flow from sales of housing projects increased in Sweden, where more housing units were recognised for profit year-on-year.

Cash flow before financing



SEASONAL EFFECTS

Bonava recognises revenues and earnings from housing sales when sold and completed housing units are delivered to customers. Bonava's operations are affected by seasonal variations which means that a majority of housing units are delivered to customers in the fourth quarter. Accordingly, earnings and cash flow before financing are usually stronger in the fourth quarter than in other quarters. This is shown in the charts depicting the estimated completions by quarter on page 7.

Housing sales, housing starts and building rights

JANUARY–MARCH 2020

Housing sales and housing starts

During the quarter, 932 housing units (731) were sold to consumers and 197 (0) to investors. Sales to consumers increased in all segments except St. Petersburg–Baltics, which decreased from a high level. The average price of housing units sold to consumers increased to SEK 3.1 M (2.5), attributable to a lower share of the Group's total sales in St. Petersburg–Baltics, where the average price was lower compared to the other segments. Sales to investors

during the quarter pertained to a project in Germany and one project in Sweden, both started in the fourth quarter 2019. In the quarter, 531 housing units (723) were started for consumers and 0 (0) for investors. The number of starts for consumers increased in all segments except St. Petersburg–Baltics, which started 179 housing units in comparison to 591 housing units in the year-earlier period.

No. unless otherwise stated	2020 Jan–Mar	2019 Jan–Mar	2019 Jan–Dec
Housing units for consumers sold in the period	932	731	3,918
Housing units for investors sold in the period	197		1,244
Total housing units sold in the period	1,129	731	5,162
Sales value of housing units for consumers sold in the period, SEK M	2,908	1,839	12,080
Sales value of housing units for investors sold in the period, SEK M	370		2,397
Total sales value of housing units sold in the period, SEK M	3,278	1,839	14,477
Housing starts for consumers in the period	531	723	3,010
Housing starts for investors in the period			1,441
Total housing starts in the period	531	723	4,451
Housing units in ongoing production for consumers at end of period	6,028	6,990	6,179
Housing units in ongoing production for investors at period end	3,438	3,222	3,553
Total number of housing units in ongoing production at end of period	9,466	10,212	9,732
Sales rate for ongoing production, %	77	66	72
Reservation rate for ongoing production, %	3	4	2
Total sold and reserved housing units in ongoing production, %	80	70	75

Housing units in production at 31 March 2020

At the end of the period, there were 6,028 housing units (6,990) for consumers and 3,438 housing units (3,222) for investors in production. The sales rate at 31 March 2020 was 64 per cent (51) for housing units for consumers and 100 per cent (100) for housing units for investors. At the end of the period, the completion rate was 55 per cent (47) for consumers and 39 per cent (34) for investors.

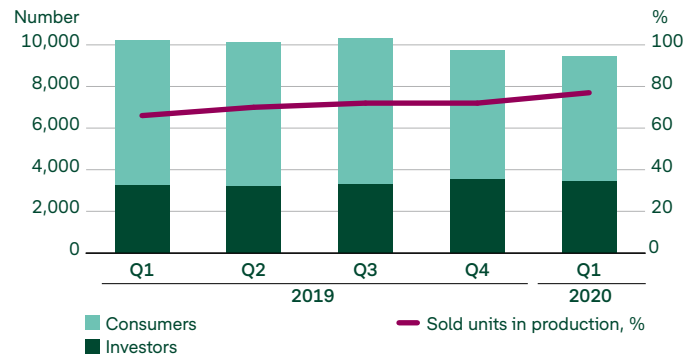
Building rights as of 31 March 2020

The number of building rights totalled 33,600 (31,500), of which 21,200 (15,900) were included in the balance sheet.

Unsold, completed housing units at the end of the period

The number of unsold completed housing units at period-end was 452 (402). All of these housing units were for consumers. St. Petersburg-Baltics represented the year-on-year increase.

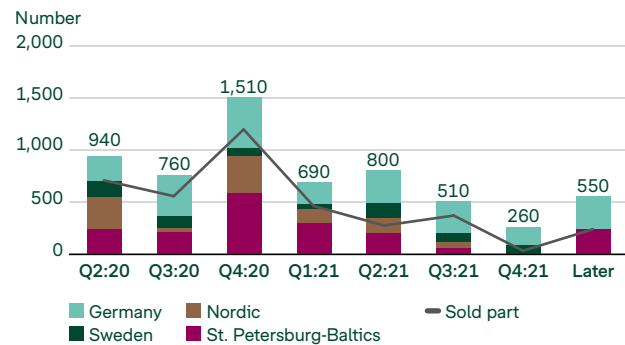
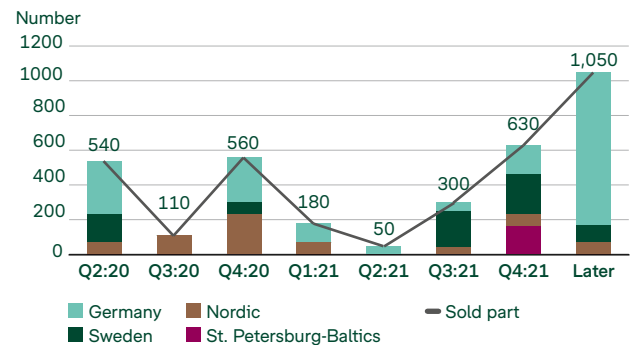
Number of housing units in production and percentage of housing units sold



The figure illustrates the number of housing units in production per quarter and the share of housing units sold.

Estimated completions per quarter

The diagrams illustrate the estimated completion dates for housing units for consumers and investors. The curves illustrate the proportion sold. The value of housing units in production sold and completed housing units sold but not yet recognised for profit at 31 March 2020 was SEK 14.5 Bn (13.4) for consumers and SEK 7.3 Bn (6.7) for investors.

Consumers**Investors**

The number of housing units in the graphs above are rounded off, as they are estimates of the time of completion.

Bonava's accounting policy entails that profit is only recognised once the housing units have been completed and delivered. Accordingly, minor disruptions to the logistics and production chain could have a major impact on the company's net sales and operating profit between the quarters. Considering COVID-19, the risk of delays in production has increased due to restrictions implemented, such as the number of people permitted to gather in one place, social distancing and closed borders. This affects the mobility of labour as well as the supply chains

of materials to Bonava's construction sites and can lead to shifting in net sales and operating profit for the coming quarters. Arised and expected further delays may have an impact on net sales and operating profit. Despite the difficulties in quantifying the more long term consequences, at the present time Bonava makes the assessment that the pace of production could be slowed, with delays as result, which carries a risk for significant impact of net sales and operating profit for 2020.

Other

SIGNIFICANT RISKS AND UNCERTAINTIES

Bonava's operations are exposed to several types of risks, both operational and financial. Operational risks impact the Company's daily operations. This type of risk may relate to investments in land, project development, seasonal exposure or assessment of the earnings capacity of projects.

Operational risks are managed as part of the internal corporate governance established by Bonava. The business units assess and manage risk through operational systems as well as specific processes and procedures.

The Group's financial risks such as interest rate, currency, refinancing, liquidity and credit risks are managed centrally by the Group's Treasury Department in order to minimise and control Bonava's risk exposure in accordance with its Finance Policy.

Customer credit risks are managed by the individual business unit. A centralised insurance function is responsible for Group-wide non-life and liability insurance, primarily property and contractor's insurance. This function also conducts preventative risk management alongside the business units, implying cost-efficient and coordinated insurable risks. The risk that Bonava may fail to comply with the Company's Code of Conduct is managed by the CSR Compliance function.

As a consequence of the global spread of COVID-19, the risks presented in the 2019 Annual Report have been re-evaluated. Adjustments to these assessments are attributable to events that are beyond Bonava's control but nonetheless impact its operations and financial position. Bonava is in close dialogue with its principal banks to ensure financing frameworks and borrowing capacity. At 31 March, unutilised financing frameworks totalled SEK 2,557 M (1,605). The assessment items and measurement of housing projects and properties held for future development are regularly reviewed. At 31 March, no impairment losses had occurred as a result of the changed market situation. The complete and updated risk assessment is available at bonava.com/en/investor-relations/financial-information.

ORGANISATION AND EMPLOYEES

The average number of employees in the Group for the period was 2,121 (1,992).

LEGAL STRUCTURE

Effective 9 June 2016, NCC AB distributed all the shares in Bonava AB to shareholders. NCC AB remains a minority owner of Bonava Deutschland GmbH, but Bonava holds the option to acquire NCC AB's participations in 2021. According to a profit-sharing agreement, NCC AB will waive dividend and receive an annual compensation of EUR 1.3 M until the agreement is cancelled, which may occur five years from entering the agreement at the earliest. The agreed profit sharing means a debt of SEK 29 M to NCC AB has been reported at an amount corresponding to the fair value of two years of payments.

SIGNIFICANT EVENTS DURING THE PERIOD

With its contingency group activated, the Board of Directors and management of Bonava is closely monitoring the progress of the pandemic, planning for various scenarios and responding to recommendations from government authorities. These plans are decided and gradually implemented depending on developments, with a long-term focus in mind. The impact on financial position and payment capacity is being routinely monitored and assessed. During the first quarter, production essentially proceeded as usual, but some delays occurred in the logistics and production chain. Sales have been negatively impacted during the later part of the quarter, and Bonava's assessment is that the negative impact on demand for housing units will continue until the situation has stabilised. Accordingly, Bonava has decided on short-time working for certain markets as well.

The Annual General Meeting (AGM) for Bonava AB was held on 31 March. Mikael Norman, Viveca Ax:son Johnson, Åsa Hedenberg, Samir Kamal and Frank Roseen were re-elected as Board members. The AGM elected Angela Langemar Olsson and Mats Jönsson as new Board members and re-elected Mikael Norman as Chairman of the Board.

The AGM resolved that no dividend would be paid to its shareholders in accordance with the updated proposal from the Board owing to the great degree of uncertainty prevailing as a result of the effects of COVID-19. Initially, the Board of directors proposed a dividend of SEK 3.00 per share.

A green financing framework was launched during the quarter, enabling investors to make green investments in resource-efficient and vibrant neighbourhoods. The green financing framework was validated through a second opinion from Sustainalytics.

Bonava has become the first residential developer in Europe to receive formal approval from Science Based Targets Initiative.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

The Board of Directors, management group and contingency group continue to monitor the progress of the pandemic. Despite the difficulties in quantifying the more long-term consequences at the present time, Bonava assesses that the pace of production could be slowed, with delays as a result, which carries a risk of a significant impact on net sales and operating profit for 2020.

The Board of directors have decided to utilise authorization of the AGM to repurchase class B shares.

AMOUNTS AND DATES

Unless otherwise stated, amounts are indicated in millions of Swedish kronor (SEK M). All comparison figures in this report refer to the year-earlier period. Rounding differences may occur.

THE SHARE AND SHAREHOLDERS

Bonava has two share classes, Class A and Class B. The closing price on 31 March 2020 was SEK 50.20 per Class A share and SEK 42.92 per Class B share, corresponding to a market capitalisation of SEK 4.7 Bn.

Bonava's share capital was SEK 434 M on the balance sheet date, divided between 108,435,822 shares and 211,091,586 votes. At 31 March 2020, Bonava had 11,406,196 Class A shares and 97,029,626 Class B shares. Each Class A share carries ten votes and each Class B share one vote.

Bonava had 30,833 (30,508) shareholders at the end of the quarter. Bonava's largest shareholder was Nordstjernan AB. At 31 March 2020, the ten largest shareholders controlled 59.9 per cent of the capital and 67.7 per cent of the votes.

THE TEN LARGEST SHAREHOLDERS AT 31 MARCH 2020

	No. of Class A shares	No. of Class B shares	Holding, %	Votes, %
Nordstjernan AB	8,500,000	15,538,265	22.2	47.6
Swedbank Robur fonder	128,119	10,424,835	9.7	5.6
Lannebo Fonder		8,294,097	7.7	3.9
Handelsbanken Fonder		5,487,000	5.1	2.6
AMF - Försäkring och Fonder		5,461,032	5.0	2.6
State Street Bank and Trust Co	1,921	2,811,156	2.6	1.3
The Fourth Swedish National Pension Fund (Fjärde AP-fonden)	3,343	2,200,776	2.0	1.1
UNIONEN		2,200,000	2.0	1.0
Carnegie fonder		2,000,000	1.8	1.0
Avanza Pension	23,197	1,881,012	1.8	1.0
Total, ten largest shareholders	8,656,580	56,298,173	59.9	67.7
Other	2,749,616	40,731,453	40.1	32.3
Total	11,406,196	97,029,626	100.0	100.0

Current projects

Germany

In Germany, Bonava is active in Berlin, Hamburg, the Baltic Sea region, Saxony, Rhine-Ruhr, Cologne/Bonn, Rhine-Main and Rhine-Neckar/Stuttgart. The offering is aimed at consumers and investors and includes single-family houses and multi-family housing.

Barsbuettel, Brombeerkamp

Project start: Q1, 2020

Location: Hamburg, Germany

Housing category: Owner-occupied apartments

Number of units: 41 housing units for consumers

East of Hamburg and centrally located, Bonava is building three energy-efficient apartment buildings close to nature, businesses and schools.



Sweden

In Sweden, Bonava's offering is targeted at both consumers and investors, through both multi-family housing and single-family houses. The consumer markets comprise Stockholm, Gothenburg, Linköping, Uppsala and Umeå. Investor activities focus on some 15 cities in Sweden.

Lav

Project start: Q1, 2020

Location: Tomtebogård, Umeå, Sweden

Housing category: Owner-occupied apartments

Number of units: 33 housing units for consumers

Bonava is planning to build 350 apartments in total, divided into several phases and comprising both tenant-owner and rental apartments. A child-friendly residential area located close to two new preschools and activity-based play areas with a nature theme, Tomtebo Gård was developed in partnership with the municipality through constructive civil dialogue.



St. Petersburg-Baltics

Encompasses operations in St. Petersburg, Russia as well as Estonia and Latvia. The offer is targeted at multi-family housing units for consumers and investors.

Gröna Lund 7.2

Project start: Q1, 2020

Location: St. Petersburg, Leningrad region, Vsevolozhsk

Housing category: Owner-occupied apartments

Number of units: 48 housing units for consumers

11 kilometres from St. Petersburg, Bonava is building affordable housing units with generous balcony space close to forests and lakes.



Dreilīni – Robežu 11

Project start: Q1, 2020

Location: Riga, Latvia

Housing category: Owner-occupied apartments

Number of units: 39 housing units for consumers

This project, one of 16 in total in Dreilīni, encompasses affordable housing units marketed to customers under the brand name Trend. The housing units are differentiated compact living: small apartments of 2 to 3 rooms.



Germany

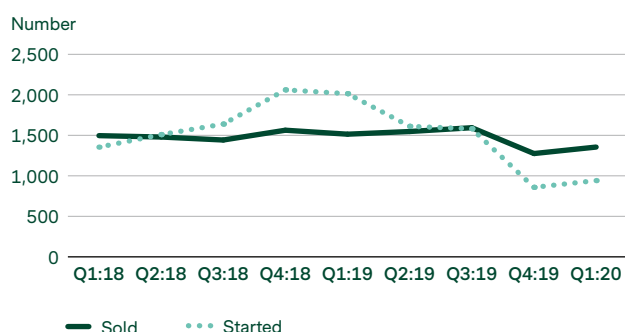
The housing market in Germany performed positively during the quarter, marked by high demand for housing units while competition for resources and attractive land was high. Housing prices rose in the first quarter, though at a somewhat slower pace than previously. In mid-March, however, transaction volumes showed signs of slowing as a consequence of COVID-19.

A shortage of housing units in Germany is driving the strong demand in regions where Bonava operates, and the company's sales trended positively during the quarter. The number of housing units sold increased a little over 65 per cent compared with the year-earlier period. Initially strong sales decreased from mid-March as a consequence of the pandemic.

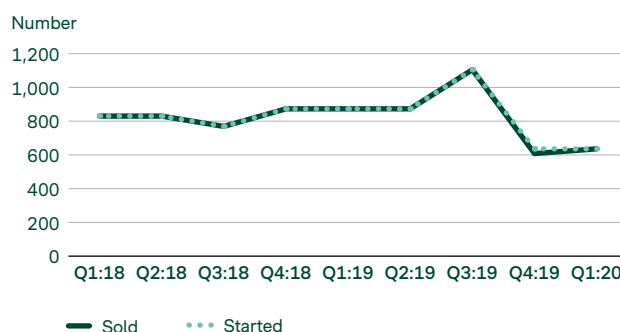
Housing starts increased compared with the year-earlier period but the difficulties stemming from delays in zoning plans and building permits from the government authorities remain. The start of a consumer project of 44 housing units in Cologne was planned for the quarter, but the building permit was delayed and start is expected in the second quarter instead. The sales rate totalled 84 per cent and profitability in the ongoing production portfolio is stable.

For the eighth consecutive year, Bonava was ranked as Germany's most active residential developer in the annual bulwiengesa's Property Market Index.

Units sold and started, Consumer rolling 12 month



Units sold and started, Investors rolling 12 month



Net sales amounted to SEK 722 M (703), an increase attributable to more housing units being delivered to consumers during the period. The average price for consumers was SEK 3.9 M, which is on a par with the preceding year. Bonava is also expected to deliver 167 student housing units in Heidelberg during the first quarter. As a result of the restrictions linked to COVID-19, the final inspection could not be performed. Accordingly, the delivery to RREEF Investment GmbH has been postponed to the second quarter.

Operating profit for the quarter was SEK 7 M (28). The margin was impacted by the delivery of two housing projects in Rhein/Ruhr with lower project margins than the portfolio average.

	2020 Jan-Mar	2019 Jan-Mar	2019 Jan-Dec
Net sales	722	703	6,361
Gross profit	89	108	1,121
Selling and administrative expenses	-82	-80	-292
Operating profit before items affecting comparability	7	28	829
Operating margin before items affecting comparability, %	0.9	3.9	13.0
Capital employed at end of period	5,036	4,811	4,814
of which, carrying amount of properties held for future development	3,029	2,361	2,371
Return on capital employed, %	14.4	20.9	17.6
Number of housing units sold in the period	269	161	1,883
Sales value of housing units sold in the period	1,108	659	6,773
Number of housing starts in the period	149	66	1,494
Number of housing units in ongoing production at end of period	4,258	4,476	4,278
Sales rate for ongoing production, %	84	76	81
Number of housing units recognised for profit during the period	180	217	1,843

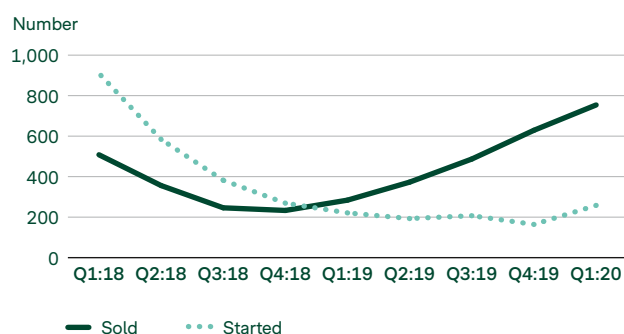
Sweden

The positive trend from 2019 continued at the start of the year, with healthy housing sales in both the succession and new production markets. Price trends remained positive as well, as housing units in Stockholm and Gothenburg rose 1–2 per cent on average. Housing prices in Sweden have risen 7 per cent over the last 12 months.

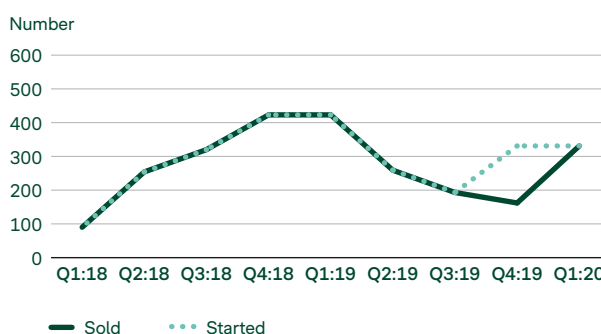
Bonava's housing sales were strong in January and February, and despite the decrease in activity as a result of COVID-19 the number of housing units sold during the quarter increased to 387 (93).

The number of housing starts also increased compared with the year-earlier period, totalling 107 (13). An additional consumer project in Stockholm was expected to start during the quarter, but as a result of somewhat reduced activity due to COVID-19, Bonava plans instead to start the project in the second quarter.

Units sold and started, Consumer rolling 12 month



Units sold and started, Investors rolling 12 month



Net sales amounted to SEK 1,170 M (788), an increase attributable to a larger volume of housing units delivered to consumers compared with the year-earlier period. As planned, no housing units were delivered to investors. The average price for consumers was SEK 4.4 M, which is slightly lower than the year-earlier period.

Operating profit for the quarter was SEK 114 M (91), attributable to a larger number of housing units delivered to consumers. Operating margin was down compared to the year-earlier period due to a larger portion of units handed over where prices previously have been reduced.

	2020 Jan-Mar	2019 Jan-Mar	2019 Jan-Dec
Net sales	1,170	788	3,861
Gross profit	150	128	601
Selling and administrative expenses	-36	-37	-151
Operating profit before items affecting comparability	114	91	450
Operating margin before items affecting comparability, %	9.7	11.5	11.7
Capital employed at end of period	3,819	5,130	4,200
of which, carrying amount of properties held for future development	1,771	1,354	1,408
Return on capital employed, %	10.3	14.3	9.3
Number of housing units sold in the period	387	93	791
Sales value of housing units sold in the period	1,202	390	3,186
Number of housing starts in the period	107	13	495
Number of housing units in ongoing production at end of period	1,514	1,743	1,668
Sales rate for ongoing production, %	80	60	66
Number of housing units recognised for profit during the period	268	201	845

Nordic

Finland, Denmark and Norway

The Finnish housing market was characterised by a broad offering. Building permit and production startups are continually decreasing, however, except for Helsinki where activity levels remain high. Prices trended positively but not to the same extent as costs increased.

The offering of housing units in Denmark was stable. From mid-March, single-family housing prices fell 2 per cent while the prices for multi-family housing were stable.

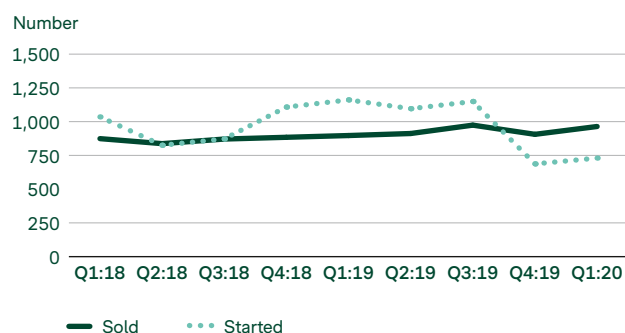
The housing market in Oslo was characterised by a severe shortage of housing units and a growing population. Price trends in both Oslo and Bergen were strong. In January and February, prices rose 5 per cent and 4 per cent respectively. The offering in the market continues to decrease.

Sales to consumers in Nordic increased early in the year, driven

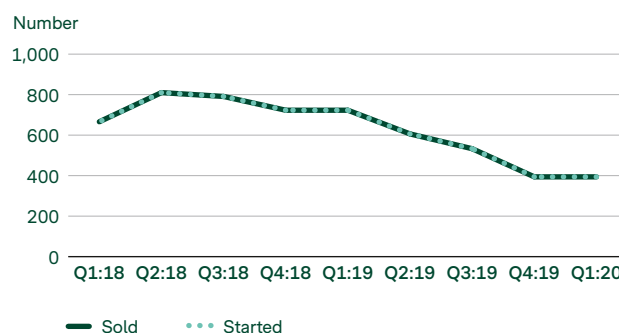
primarily by the trend in Finland, but since mid-March they have been negatively impacted by the coronavirus pandemic. Compared with a year ago, the number of housing units sold increased to 228 (170). Sales to investors were lower than planned, since one project in Finland and one in Denmark were postponed until the second quarter. The Danish project was sold in early April to the property company Hines.

Housing starts for consumers increased during the quarter compared with the year-earlier period. As a result of the postponed sales in Finland and Denmark, no housing units for investors were started. The effects of the measures Bonava took in conjunction with the restructuring in Finland are proceeding according to plan. A few projects with slimmer margins also remain to be sold over the second and third quarter of 2020.

Units sold and started, Consumer rolling 12 month



Units sold and started, Investors rolling 12 month



Net sales amounted to SEK 816 M (799), an increase attributable to higher net sales from investors, which was partially offset by lower net sales from consumers. The average price for consumers fell to SEK 2.3 M (2.6), attributable to more units in Finland being delivered compared with the year-earlier period. The decrease was explained by a larger portion of units handed over in Finland where the average price for consumers normally is lower compared to the other Nordic countries.

Operating loss for the quarter was SEK 64 M (2), attributable to the continued burden of projects with slimmer margins in Finland and Denmark. Increased selling and administrative expenses were attributable to the new operations in Oslo, which were partly offset by somewhat lower costs in Finland.

	2020 Jan-Mar	2019 Jan-Mar	2019 Jan-Dec
Net sales	816	799	4,000
Gross profit	-15	46	149
Selling and administrative expenses	-49	-44	-172
Operating profit before items affecting comparability	-64	2	-23
Operating margin before items affecting comparability, %	-7.8	0.2	-0.6
Capital employed at end of period	4,739	3,705	4,152
of which, carrying amount of properties held for future development	2,997	1,847	2,503
Return on capital employed, %	-6.0	8.0	-0.7
Number of housing units sold in the period	228	170	1,300
Sales value of housing units sold in the period	652	464	3,121
Number of housing starts in the period	96	53	1,081
Number of housing units in ongoing production at end of period	1,714	2,240	1,869
Sales rate for ongoing production, %	74	66	72
Number of housing units recognised for profit during the period	332	331	1,646

St. Petersburg – Baltics

St. Petersburg, Estonia and Latvia

The price trend for the quarter in St. Petersburg was positive. In Bonava's segment, prices increased by approximately 3–5 per cent. The offering in the central parts of the city was stable. March was characterised by a more uncertain market, owing primarily to falling oil prices.

In the Baltics, the year started off at a stable level but was impacted relatively early in the quarter by increased uncertainty as a result of the measures implemented to prevent the spread of COVID-19. Housing prices during the quarter were stable.

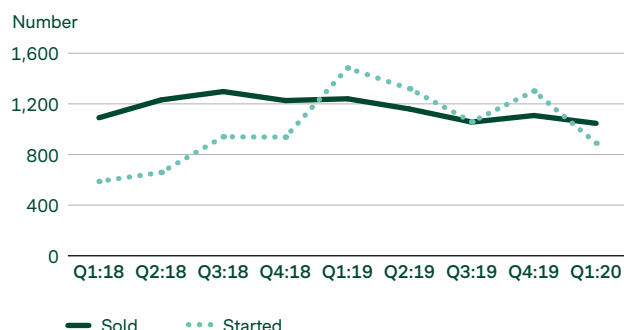
The sales trend in St. Petersburg–Baltics was stable, with a high level of demand for Bonava's housing units that tapered off as a consequence of COVID-19. Housing units sold totalled 245 (307),

a decrease related primarily to a lower offering in St. Petersburg as the result of a healthy sales rate over a longer period and how far along in the cycle the projects have come.

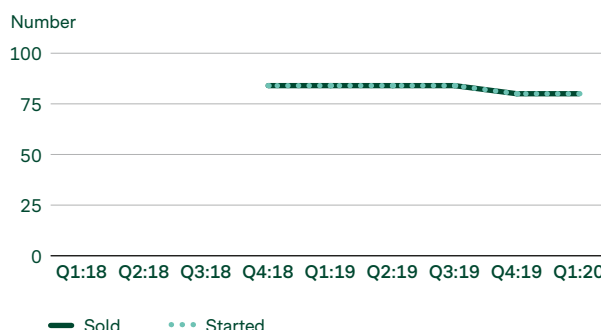
The market in primarily St. Petersburg differs somewhat from Bonava's other markets. Typically, the Russian projects are significantly larger and the starts do not take place on the same continual basis. The number of housing starts in the first quarter totalled 179 (591), a decrease attributable to the fact that a stage of the Magnifika project, with 233 units, started in the year-earlier period.

Bonava Latvia, with a growing market share in the major city region, was named the country's largest residential developer for the third consecutive year by Colliers International.

Units sold and started, Consumer rolling 12 month



Units sold and started, Investors rolling 12 month



Net sales amounted to SEK 241 M (547), a decrease attributable to the delivery of 167 housing units during the quarter compared to 519 housing units during the year-earlier period. One project of 94 units in Latvia that was expected to be delivered during the quarter was delayed somewhat, and was instead delivered in April.

Operating profit totalled SEK 28 M (105). The decrease in operating profit and operating margin is explained by the decrease in volume; 167 housing units were delivered during the period compared to 519 in the year-earlier period. In addition, increased selling and administrative expenses following the settlement of an old dispute in Estonia totaling SEK 5 M had a negative impact.

	2020 Jan-Mar	2019 Jan-Mar	2019 Jan-Dec
Net sales	241	547	1,252
Gross profit	45	118	253
Selling and administrative expenses	-17	-13	-59
Operating profit before items affecting comparability	28	105	194
Operating margin before items affecting comparability, %	11.7	19.2	15.5
Capital employed at end of period	1,363	1,187	1,367
of which, carrying amount of properties held for future development	817	784	762
Return on capital employed, %	9.5	15.5	15.8
Number of housing units sold in the period	245	307	1,188
Sales value of housing units sold in the period	315	326	1,397
Number of housing starts in the period	179	591	1,381
Number of housing units in ongoing production at end of period	1,980	1,753	1,917
Sales rate for ongoing production, %	63	46	57
Number of housing units recognised for profit during the period	167	519	1,177

Consolidated Income Statement

	Note 1	2020 Jan-Mar	2019 Jan-Mar	Apr 2019- Mar 2020	2019 Jan-Dec
Net sales	2	2,949	2,837	15,586	15,474
Production costs		-2,689	-2,442	-13,615	-13,368
Gross profit		260	395	1,971	2,107
Selling and administrative expenses		-229	-230	-904	-905
Operating profit before items affecting comparability	2	31	165	1,067	1,202
Items affecting comparability	1			-259	-259
Operating profit after items affecting comparability	2	31	165	809	943
Financial income		1	2	15	16
Financial expenses		-30	-33	-122	-125
Net financial items		-29	-32	-107	-110
Profit after financial items	2	2	134	702	834
Tax on profit for the period		-1	-34	-186	-219
Profit for the period		2	100	516	615
Attributable to:					
Bonava AB's shareholders		2	100	516	615
Non-controlling interest					
Profit for the period		2	100	516	615
Per share data before and after dilution					
Profit after items affecting comparability, SEK		0.01	0.93	4.79	5.71
Cash flow from operating activities, SEK		-1.63	-10.06	11.98	3.55
Shareholders' equity, SEK		69.58	70.35	69.58	70.02
No. of shares at end of period, million ¹⁾		107.6	107.6	107.6	107.6

¹⁾ The total number of shares repurchased as of 31 March 2020 was 815,061 (815,061).

Bonava's business model and the agreement structure of housing projects mean that control is transferred to the buyer at the time of handover of the housing unit or project. Bonava thereby satisfies the undertaking to transfer the housing unit or project upon handover and recognises revenue and profit from sales of housing projects in full at this point. No revenue is recognised on the basis of forecast sales of housing projects. This applies to both housing units for consumers and investors.

Since Bonava appoints a majority of the Board members in tenant-owner associations in Sweden and housing companies in Finland, issues guarantees and provides credit to or borrowing on behalf of tenant-owner associations and housing companies, Bonava exercises a controlling influence and therefore consolidates tenant-owner associations and housing companies in full.

As a consequence of the consolidation of tenant-owner associations and housing companies in full, Bonava's net debt increases since interest-bearing liabilities attributable to Swedish tenant-owner associations and Finnish housing companies constitute material amounts. Refer note 3 for more information.

Consolidated Statement of Comprehensive Income

	Note 1	2020 Jan-Mar	2019 Jan-Mar	Apr 2019- Mar 2020	2019 Jan-Dec
Profit for the period		2	100	516	615
<i>Items that have been or may be reclassified to profit for the period</i>					
Translation differences during the period in translation of foreign operations		-49	110	-20	139
Other comprehensive income for the period		-49	110	-20	139
Comprehensive income for the period		-47	210	496	754
<i>Attributable to:</i>					
Bonava AB's shareholders		-47	210	496	754
Non-controlling interest					
Comprehensive income for the period		-47	210	496	754

Condensed consolidated balance sheet

	Note 1, 4, 5, 6	2020 31 Mar	2019 31 Mar	2019 31 Dec
ASSETS				
Fixed assets		946	1,070	904
Current assets				
Properties held for future development		8,613	6,417	7,149
Ongoing housing projects		12,532	11,635	11,761
Completed housing units		1,731	1,780	2,013
Current receivables		1,053	1,649	1,161
Cash and cash equivalents	3	428	314	499
Total current assets		24,358	21,796	22,583
TOTAL ASSETS		25,304	22,865	23,487
SHAREHOLDERS' EQUITY				
Shareholders' equity attributable to parent company shareholders		7,489	7,571	7,536
Non-controlling interest		5	5	5
Total shareholders' equity		7,494	7,576	7,540
LIABILITIES				
Non-current liabilities				
Non-current interest-bearing liabilities	3	1,758	1,875	1,378
Other non-current liabilities		431	208	334
Long-term receivables		715	596	712
Total non-current liabilities		2,904	2,679	2,424
Current liabilities				
Current interest-bearing liabilities	3	5,791	5,547	6,015
Other current liabilities		9,116	7,063	7,508
Total current liabilities		14,907	12,611	13,523
Total liabilities		17,811	15,289	15,947
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		25,304	22,865	23,487

Condensed changes in shareholders' equity, Group

	Shareholders' equity attributable to Parent Company shareholders	Non-controlling interest	Total shareholders' equity
Opening shareholders' equity, 1 January 2019	7,357	5	7,362
Comprehensive income for the period	754		754
Dividend	-560		-560
Performance-based incentive programme	-16		-16
Closing shareholders' equity, 31 December 2019	7,536	5	7,540
Comprehensive income for the period	-47		-47
Performance-based incentive programme	1		1
Closing shareholders' equity, 31 March 2020	7,489	5	7,494

Condensed consolidated cash flow statement

	2020 Jan-Mar	2019 Jan-Mar	Apr 2019- Mar 2020	2019 Jan-Dec
OPERATING ACTIVITIES				
Profit after financial items	2	134	702	834
Adjustments for items not included in cash flow	-195	-72	152	275
Tax paid	-91	-178	-250	-337
Cash flow from operating activities before change in working capital	-283	-116	605	772
Cash flow from change in working capital				
Sales of housing projects	2,600	2,385	13,117	12,902
Investments in housing projects	-4,170	-3,249	-14,840	-13,919
Other change in working capital	1,677	-103	2,404	624
Cash flow from change in working capital	107	-967	681	-393
Cash flow from operating activities	-176	-1,083	1,286	379
INVESTMENT ACTIVITIES				
Cash flow from investment activities	-27	-12	-532	-517
CASH FLOW BEFORE FINANCING	-203	-1,095	754	-138
FINANCING ACTIVITIES				
Dividend paid			-560	-560
Increase in interest-bearing financial liabilities	836	2,879	1,097	3,140
Decrease in interest-bearing financial liabilities	-663	-1,831	-1,208	-2,376
Change in interest-bearing receivables	2	25	59	82
Cash flow from financing activities	175	1,072	-611	286
CASH FLOW DURING THE PERIOD	-28	-23	143	148
Cash and cash equivalents at the beginning of the year	499	325	314	325
Exchange rate difference in cash and cash equivalents	-42	12	-28	26
CASH AND CASH EQUIVALENTS AT END OF PERIOD	428	314	428	499

Notes for the Group

NOTE 1 Accounting policies

This Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting, the Swedish Annual Accounts Act and recommendation RFR 1 Supplementary Accounting Rules for Groups from the Swedish Financial Reporting Board. The accounting policies applied in the preparation of this Interim Report apply to all periods and comply with the accounting policies presented in Note 1 Significant accounting policies in Bonava's 2019 Annual Report, pages 28–32. The Annual Report is available at www.bonava.com.

From 1 July 2019, Bonava added the line item 'items affecting comparability' to the Income Statement. Under this heading are events and transactions such as substantial legal disputes and other substantial non-recurring costs or revenue, the profit effect of which

is important to note when the profit/loss for the period is compared with earlier periods. Tax on items affecting comparability and tax items that are themselves classified as items affecting comparability are recognised under Tax in the consolidated income statement. Items recognised as affecting comparability in one period are recognised consistently in future periods by any potential reversal of these items also being recognised as items affecting comparability.

The items recognised as affecting comparability at 31 December 2019 pertain to both the settlement of a legal dispute of SEK 100 M and restructuring measures in Finland of SEK 159 M.

No other changes to IFRS or IFRIC interpretations are expected to have any material impact on Bonava.

NOTE 2 Reporting of operating segments

Jan–Mar 2020	Germany	Sweden	Nordic	St. Petersburg– Baltics	Parent Company and adjustments	Total
Net sales, consumers	713	1,166	505	237		2,622
Net sales, investors			294			294
Net sales, land	9	4	16			28
Other revenue			2	4		6
Operating profit/loss before items affecting comparability	7	114	–64	28	–54	31
Items affecting comparability						0
Operating profit/loss after items affecting comparability	7	114	–64	28	–54	31
Net financial items						–29
Profit after financial items						2
Capital employed	5,036	3,819	4,739	1,363	85	15,043

Jan–Mar 2019	Germany	Sweden	Nordic	St. Petersburg– Baltics	Parent Company and adjustments	Total
Net sales, consumers	544	689	584	542		2,358
Net sales, investors	158	99	210			468
Net sales, land			2			2
Other revenue			4	5		9
Operating profit/loss before items affecting comparability	28	91	2	105	–60	165
Items affecting comparability						0
Operating profit/loss after items affecting comparability	28	91	2	105	–60	165
Net financial items						–32
Profit after financial items						134
Capital employed	4,811	5,130	3,705	1,187	165	14,998

Jan–Dec 2019	Germany	Sweden	Nordic	St. Petersburg– Baltics	Parent Company and adjustments	Total
Net sales, consumers	5,063	2,949	2,844	1,232		12,088
Net sales, investors	1,158	434	1,057			2,650
Net sales, land	136	473	92			700
Other revenue	3	5	7	20		36
Operating profit/loss before items affecting comparability	829	450	–23	194	–248	1,202
Items affecting comparability ¹⁾			–159		–100	–259
Operating profit/loss after items affecting comparability	829	450	–182	194	–348	943
Net financial items						–110
Profit after financial items						834
Capital employed	4,814	4,200	4,152	1,367	399	14,933

¹⁾ The items recognised as affecting comparability pertain to both the settlement of a legal dispute of SEK 100 M and restructuring measures in Finland of SEK 159 M.

NOTE 3 Specification of net debt

	2020 31 Mar	2019 31 Mar	2019 31 Dec
Non-current interest-bearing receivables	2	7	2
Current interest-bearing receivables	17	71	19
Cash and cash equivalents	428	314	499
Interest-bearing receivables	448	392	520
Non-current interest-bearing liabilities	1,758	1,875	1,378
Current interest-bearing liabilities	5,791	5,547	6,015
Interest-bearing liabilities	7,549	7,422	7,393
Net debt	7,101	7,031	6,873

of which, attributable to Swedish tenant-owner associations and Finnish housing companies¹⁾

Cash and cash equivalents	62	71	17
Interest-bearing liabilities in external project financing	1,735	3,830	2,364
Interest-bearing liabilities, project financing ²⁾	706	1,122	891
Net debt in tenant-owner associations and housing companies	2,379	4,881	3,238

of which, other operations³⁾

Cash and cash equivalents	366	243	482
Interest-bearing receivables	19	77	19
Interest-bearing lease liabilities, IFRS 16	256	393	257
Interest-bearing liabilities, other operations	4,851	2,077	3,880
Net debt, other operations	4,722	2,150	3,635

¹⁾ As a consequence of the consolidation of tenant-owner associations and housing companies in full, interest-bearing liabilities attributable to Swedish tenant-owner associations and Finnish housing companies are included in Bonava's net debt.

²⁾ Relates to financing via Parent Company credit facilities directly attributable to Swedish tenant-owner associations.

³⁾ Relates to financing of operations in all segments excluding the Swedish and Finnish consumer business.

The below table specifies the Group's financing facilities. In addition to these financing facilities, there are unutilized agreed credit frames for each project in Swedish tenant owner associations and Finnish housing companies of c. SEK 1 Bn.

Financing	Maturity, year	Amount	Utilised	Unutilised
Overdraft facilities	<365 days	1,147		1,147
Loan	2020	1,642	1,642	
Loan	2021	1,857	857	1,000
RCF/commercial paper	2023	3,000	2,590	410
Loan	2025-27	443	443	
Total		8,089	5,532	2,557

NOTE 4 Fair value of financial instruments

In the table below, disclosures are made concerning how fair value has been determined for the financial instruments that are continuously measured at fair value in Bonava's balance sheet. When determining fair value, assets have been divided into the following three levels. No transfers have been made between the levels during the period.

Bonava has no financial instruments in level 1 or 3. Level 2 derivatives comprise currency forwards where the measurement at fair value of currency-forward contracts is based on published forward rates on an active market.

	2020 31 Mar	2019 31 Mar	2019 31 Dec
Derivatives	5	34	47
Total assets	5	34	47
Derivatives	145	17	11
Total liabilities	145	17	11

The fair value of non-current and current interest-bearing liabilities does not differ from the carrying amount. For financial instruments recognised at amortised cost, accounts receivables, other receivables, cash and cash equivalents, accounts payable and other interest-free liabilities, fair value is considered equal to carrying amount.

NOTE 5 Pledged assets, surety and guarantee obligations

	2020 31 Mar	2019 31 Mar	2019 31 Dec
Pledged assets			
<i>For own liabilities:</i>			
Property mortgages	1,657	2,019	1,715
Restricted bank funds	9	73	1
Other pledged assets	4	3	4
Total pledged assets	1,670	2,095	1,720
Surety and guarantee obligations			
<i>Own contingent liabilities:</i>			
Deposits and concession fees ¹⁾	3,515	2,727	3,361
Other guarantees and contingent liabilities			111
Total surety and guarantee obligations	3,515	2,727	3,471

¹⁾ Deposit guarantees constitute collateral for deposits and concession fees paid to tenant-owner associations formed by Bonava Sverige AB. The guarantee is to be restored one year after the final acquisition cost of the tenant-owner association's building has been established.

The Parent Company in brief

JANUARY-MARCH 2020

The Parent Company comprises the operations of Bonava AB (publ). Sales for the company totalled SEK 69 M (64). Profit after financial items totalled SEK 76 M (-36).

CONSOLIDATED INCOME STATEMENT	Note 1	2020 Jan-Mar	2019 Jan-Mar	2019 Jan-Dec
Net sales		69	64	266
Selling and administrative expenses		-118	-119	-501
Operating profit		-49	-55	-235
Profit from participations in Group companies		93		793
Financial income		51	35	170
Financial expenses		-18	-16	-50
Profit/loss after financial items		76	-36	679
Appropriations				227
Profit before tax		76	-36	905
Tax on profit for the period		4	9	-21
Profit/loss for the period		80	-28	884

BALANCE SHEET	Note 1, 2	2020 31 Mar	2019 31 Mar	2019 31 Dec
Assets				
Fixed assets		2,410	2,422	2,411
Current assets		10,563	7,897	9,471
Total assets		12,974	10,319	11,882
Shareholders' equity and liabilities				
Shareholders' equity		7,219	6,807	7,139
Untaxed reserves		32		32
Provisions		4	3	4
Non-current liabilities		1,259	627	844
Current liabilities		4,459	2,883	3,863
Total shareholders' equity and liabilities		12,974	10,319	11,882

Parent Company Notes

NOTE 1 Accounting policies

The company has prepared its Interim Report pursuant to the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities.

The accounting policies applied in the preparation of this Interim Report apply to all periods and comply with the accounting policies presented in Note 1 Significant accounting policies in Bonava's 2019 Annual Report, pages 28–32 and 57. The Annual Report is available at www.bonava.com.

NOTE 2 Pledged assets and contingent liabilities

	Utilized amount		
	2020 31 Mar	2019 31 Mar	2019 31 Dec
Deposits and concession fees	4,623	4,679	3,971
Construction loans, tenant-owner associations	953	2,802	1,470
Counter guarantee to external guarantors	9,767	7,429	8,648
Other guarantee commitments	4,503	4,800	4,988
Other pledged assets	3	3	3
Total	19,848	19,712	19,079

Sector-related key figures for the Group

No. unless otherwise stated	2020 Jan-Mar	2019 Jan-Mar	2019 Jan-Dec
Building rights at end of period	33,600	31,500	33,300
Of which, off-balance sheet building rights	12,400	15,600	14,000
Housing development for consumers			
Housing units sold during the period	932	731	3,918
Sales value of housing units sold in the period, SEK M	2,908	1,839	12,080
Housing starts during the period	531	723	3,010
Housing units in ongoing production at end of period	6,028	6,990	6,179
Sales rate for ongoing production, %	64	51	59
Reservation rate for ongoing production, %	5	6	4
Completion rate for ongoing production, %	55	47	48
Completed housing units not recognised for profit at end of period	564	673	714
Housing units for sale (ongoing and completed) at end of period	2,600	3,824	3,001
Housing units recognised for profit during the period	832	1,037	4,170
Value of housing units sold not yet recognised in profit, SEK Bn	14.5	13.4	13.8
Housing development for investors			
Housing units sold during the period	197		1,244
Sales value of housing units sold in the period, SEK M	370		2,397
Housing starts during the period			1,441
Housing units in ongoing production at end of period	3,438	3,222	3,553
Sales rate for ongoing production, %	100	100	94
Completion rate for ongoing production, %	39	34	33
Housing units recognised for profit during the period	115	231	1,341
Value of housing units sold not yet recognised for profit, SEK Bn	7.3	6.7	7.3
	2020 Jan-Mar	2019 Jan-Mar	2019 Jan-Dec
Housing units in production for consumers, no.			
Housing units in ongoing production, at period start	6,179	7,259	7,259
Housing starts resumed ¹⁾			76
Housing starts during the period	531	723	3,010
Housing units recognised for profit during the period	-832	-1,037	-4,170
Decrease (+)/increase (-) in completed housing units not recognised for profit at end of period	150	45	4
Housing units in ongoing production for consumers at end of period	6,028	6,990	6,179
Number of housing units in production for investors			
Housing units in ongoing production, at period start	3,553	3,453	3,453
Housing starts during the period			1,441
Housing units recognised for profit during the period	-115	-231	-1,341
Housing units in ongoing production for investors at end of period	3,438	3,222	3,553

¹⁾ Projects recognised as housing starts at the initial starting date. In the event of delays in conjunction with appeals of building permits, projects are excluded from housing units in ongoing production. In Sweden, one project was resumed in 2019 following a delay due to an appeal against a building permit.

Sector-related key figures for the segments

Germany, no. unless otherwise stated	2020 Jan-Mar	2019 Jan-Mar	2019 Jan-Dec
Consumers			
Net sales, SEK M	713	544	5,063
Number of housing units sold in the period	241	161	1,275
Sales value of housing units sold in the period, SEK M	1,014	659	5,363
Housing starts during the period	149	66	858
Number of housing units in ongoing production at end of period	2,436	2,852	2,456
Sales rate for ongoing production, %	72	62	69
Housing units recognised for profit during the period	180	137	1,325
Investors			
Net sales, SEK M		158	1,158
Number of housing units sold in the period	28		608
Sales value of housing units sold in the period, SEK M	94		1,410
Housing starts during the period			636
Number of housing units in ongoing production at end of period	1,822	1,624	1,822
Sales rate for ongoing production, %	100	100	98
Housing units recognised for profit during the period		80	518
Building rights			
Number of building rights at end of period	8,800	8,300	8,900
of which off-balance sheet building rights	2,500	2,800	3,400
Average no. of employees	908		877

Sweden, no. unless otherwise stated	2020 Jan-Mar	2019 Jan-Mar	2019 Jan-Dec
Consumers			
Net sales, SEK M	1,166	689	2,949
Number of housing units sold in the period	218	93	629
Sales value of housing units sold in the period, SEK M	947	390	2,886
Housing starts during the period	107	13	164
Number of housing units in ongoing production at end of period	736	1,153	890
Sales rate for ongoing production, %	60	40	54
Housing units recognised for profit during the period	268	152	653
Investors			
Net sales, SEK M		99	434
Number of housing units sold in the period	169		162
Sales value of housing units sold in the period, SEK M	255		300
Housing starts during the period			331
Number of housing units in ongoing production at end of period	778	590	778
Sales rate for ongoing production, %	100	100	78
Housing units recognised for profit during the period		49	192
Building rights			
Number of building rights at end of period	7,800	7,500	7,300
of which off-balance sheet building rights	2,800	4,600	2,900
Average no. of employees	207		206

Nordic (Finland, Denmark and Norway), no. unless otherwise stated	2020 Jan-Mar	2019 Jan-Mar	2019 Jan-Dec
Consumers			
Net sales, SEK M	505	603	2,863
Number of housing units sold in the period	228	170	906
Sales value of housing units sold in the period, SEK M	635	464	2,508
Housing starts during the period	96	53	687
Number of housing units in ongoing production at end of period	1,040	1,316	1,080
Sales rate for ongoing production, %	57	48	52
Housing units recognised for profit during the period	217	229	1,015
Investors			
Net sales, SEK M	294	210	1,057
Number of housing units sold in the period			394
Sales value of housing units sold in the period, SEK M	17		613
Housing starts during the period			394
Number of housing units in ongoing production at end of period	674	924	789
Sales rate for ongoing production, %	100	100	100
Housing units recognised for profit during the period	115	102	631
Building rights			
Number of building rights at end of period	10,100	10,400	10,600
of which off-balance sheet building rights	5,800	6,600	6,300
Average no. of employees	397		409

St. Petersburg-Baltics (St. Petersburg, Estonia and Latvia), no. unless otherwise stated	2020 Jan-Mar	2019 Jan-Mar	2019 Jan-Dec
Consumers			
Net sales, SEK M	237	542	1,232
Number of housing units sold in the period	245	307	1,108
Sales value of housing units sold in the period, SEK M	312	326	1,324
Housing starts during the period	179	591	1,301
Number of housing units in ongoing production at end of period	1,816	1,669	1,753
Sales rate for ongoing production, %	60	43	53
Housing units recognised for profit during the period	167	519	1,177
Investors			
Net sales, SEK M			
Number of housing units sold in the period	3		80
Sales value of housing units sold in the period, SEK M			73
Housing starts during the period			80
Number of housing units in ongoing production at end of period	164	84	164
Sales rate for ongoing production, %	100	100	100
Housing units recognised for profit during the period			
Building rights			
Number of building rights at end of period	6,900	5,300	6,500
of which off-balance sheet building rights	1,300	1,600	1,400
Average no. of employees	513		473

Key performance indicators at end of period

	2020 31 Mar	2019 31 Mar	2019 31 Dec
Return on capital employed, % ^{1) 2)}	7.0	13.2	8.1
Interest coverage ratio, multiple ¹⁾	6.8	12.7	7.7
Equity/Assets ratio, %	29.6	33.1	32.1
Interest-bearing liabilities/total assets, %	29.8	32.5	31.5
Net debt	7,101	7,031	6,873
Debt/equity ratio, times	0.9	0.9	0.9
Capital employed at end of period	15,043	14,998	14,933
Capital employed, average	14,921	13,283	14,579
Capital turnover rate, multiple ¹⁾	1.0	1.1	1.1
Share of risk-bearing capital, %	30.2	33.4	32.7
Dividend, SEK per share ³⁾			
Paid dividend, SEK per share			5.20
Average interest rate at end of period, % ⁴⁾	1.38	1.04	1.12
Average fixed-rate term, years ⁴⁾	0.2	0.2	0.1
Average interest rate at end of period, % ⁵⁾	1.26	1.26	1.23
Average fixed-rate term, years ⁵⁾	0.3	0.2	0.3

¹⁾ Calculated on rolling 12-month basis.

²⁾ Excluding items affecting comparability.

³⁾ The Board of Directors decided on 23 March 2020 to withdraw the proposition to the AGM to pay a dividend to the shareholders of SEK 3.00 per share, owing to the great degree of uncertainty prevailing as a result of the effects of COVID-19.

⁴⁾ Excluding loans in Swedish tenant-owner associations, Finnish housing companies and leases.

⁵⁾ Pertains to loans in Swedish tenant-owner associations and Finnish housing companies.

SIGNATURES

Stockholm, 23 April 2020

For the Board of Directors of Bonava AB (publ)

Joachim Hallengren
President and CEO

This report has not been reviewed by the company's auditors.

For more information:
Louise Tjeder, Head of Investor Relations
louise.tjeder@bonava.com
Tel: +46 (0) 707 82 63 74

FINANCIAL CALENDAR

- Q2 Interim Report Jan–Jun: 16 July 2020
- Q3 Interim Report Jan–Sep: 23 October 2020

CONTACT

Louise Tjeder, Head of Investor Relations
louise.tjeder@bonava.com
Tel: +46 (0) 707 82 63 74

PUBLICATION

This information is such that Bonava AB (publ) is obliged to disclose pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was issued for publication through the agency of the contact person set out above on April 23, 2020, at 7:30 a.m. CET.

INVITATION TO PRESENTATION OF THE Q1 INTERIM REPORT

Joachim Hallengren, President and CEO, and Ann-Sofi Danielsson, CFO, will present the Interim Report. The presentation will be concluded with a Q&A session.

Date: 23 April 2020, 10:00–11:00 a.m.

To participate in the telephone conference and ask questions, please call one of the following telephone numbers:

SE: +46 856 642 651

DE: +49 691 380 34 30

UK: +44 333 300 08 04

US: +1 (631) 913-1422

To participate, register with code: 73694087#

The presentation will also be streamed live at bonava.com/ audiocast Q1 2020. The presentation will be available for download from the website ahead of the presentation.