Q2 2012

Oslo 29 August 2012

Baard Schumann, CEO
Haavard Rønning, CFO

SELVAAG BOLIG

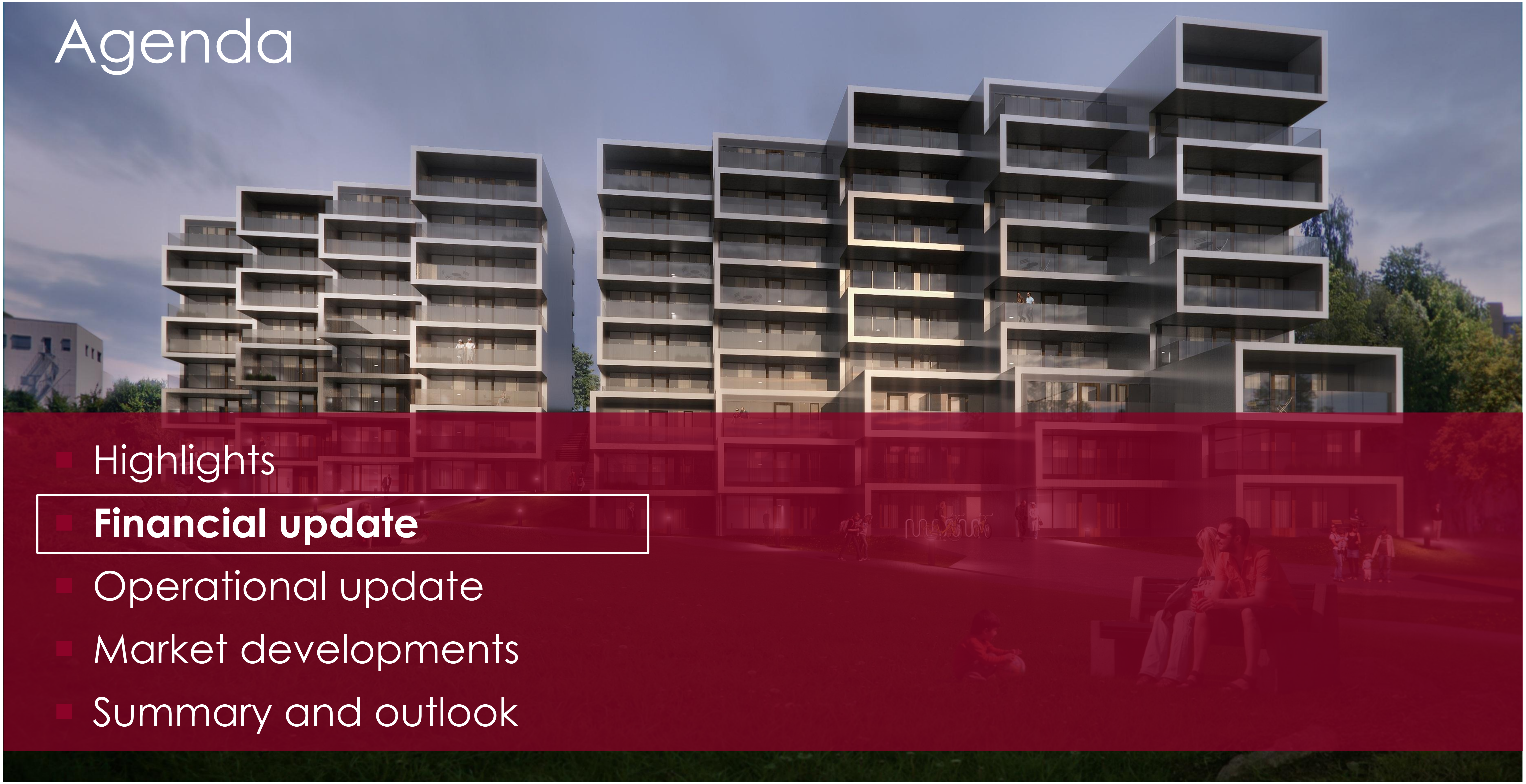
Start Hjem Pluss

Agenda

- **Highlights**
- Financial update
- Operational update
- Market developments
- Summary and outlook

2ND quarter highlights

- Listed on the OSE 14 June 2012, IPO NOK 500 million
- Strong market momentum - 243 units sold in Q2, 487 1H
- 1 059 units in production by 30 June, sales value of NOK 3 347 million, 86% sold
- Construction commenced on 118 units, 187 units finalized, 176 units delivered
- Acquired 15.5 hectares in Bærum, potential for 1 000 homes



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Income statement IFRS

(figures in NOK million)	Q2 2012	Q2 2011	1H 2012	1H 2011	2011
Total operating revenues	494.4	64.7	686.4	105.9	309.8
Project expenses	(388.0)	(33.5)	(524.0)	(53.9)	(199.0)
Other operating expenses	(57.6)	(38.5)	(99.4)	(65.8)	(173.0)
Other gains (loss)	0.1	-	0.1	1.0	(0.3)
Associated companies and joint ventures	15.2	(8.2)	22.6	(8.3)	75.4
EBITDA	**64.2**	**(15.4)**	**85.7**	**(21.1)**	**12.9**
Depreciation and amortisation	(4.8)	(0.2)	(9.9)	(0.3)	(5.8)
EBIT	**59.4**	**(15.6)**	**75.8**	**(21.4)**	**7.1**
Net financial expenses	(17.0)	(2.5)	(33.6)	(3.0)	(36.1)
Profit/(loss) before taxes	**42.4**	**(18.1)**	**42.2**	**(24.5)**	**(29.0)**
Income taxes	(17.9)	3.8	(11.8)	6.0	23.3
Net income	**24.6**	**(14.3)**	**30.4**	**(18.5)**	**(5.7)**

Balance sheet

(figures in NOK million)	**30 June 2012**	**30 June 2011**	**FY 2011**
Intangible assets	470.3	16.8	479.3
Property, plant and equipment	6.8	3.6	5.6
Investments in associated companies and joint ventures	135.1	410.2	141.7
Other non-current assets	83.0	251.4	72.3
Total non-current assets	**695.1**	**682.1**	**699.0**
Inventories (property)	**4 599.4**	**375.4**	**4 211.0**
- Land	**2 425.4**	**365.9**	**2 367.0**
- Work in prograss	2 076.5	2.6	1 749.4
- Finished goods	97.5	6.9	94.6
Other current receivables	248.3	87.9	119.5
Cash and cash equivalents	389.4	25.9	395.2
Total current assets	**5 237.0**	**489.2**	**4 725.8**
TOTAL ASSETS	**5 932.1**	**1 171.3**	**5 424.7**
Total equity	**1 819.0**	**303.5**	**1 310.7**
Non-current interest-bearing liabilities	2 551.7	9.1	2 376.3
Other non-current non interest-bearing liabilities	139.0	77.5	134.7
Total non-current liabilities	**2 690.7**	**86.6**	**2 511.0**
Current interest-bearing liabilities	860.7	712.4	1 189.6
Other current non interest-bearing liabilities	561.8	68.7	413.5
Total current liabilities	**1 422.4**	**781.1**	**1 603.1**
TOTAL EQUITY AND LIABILITIES	**5 932.1**	**1 171.3**	**5 424.7**

Cash Flow statement

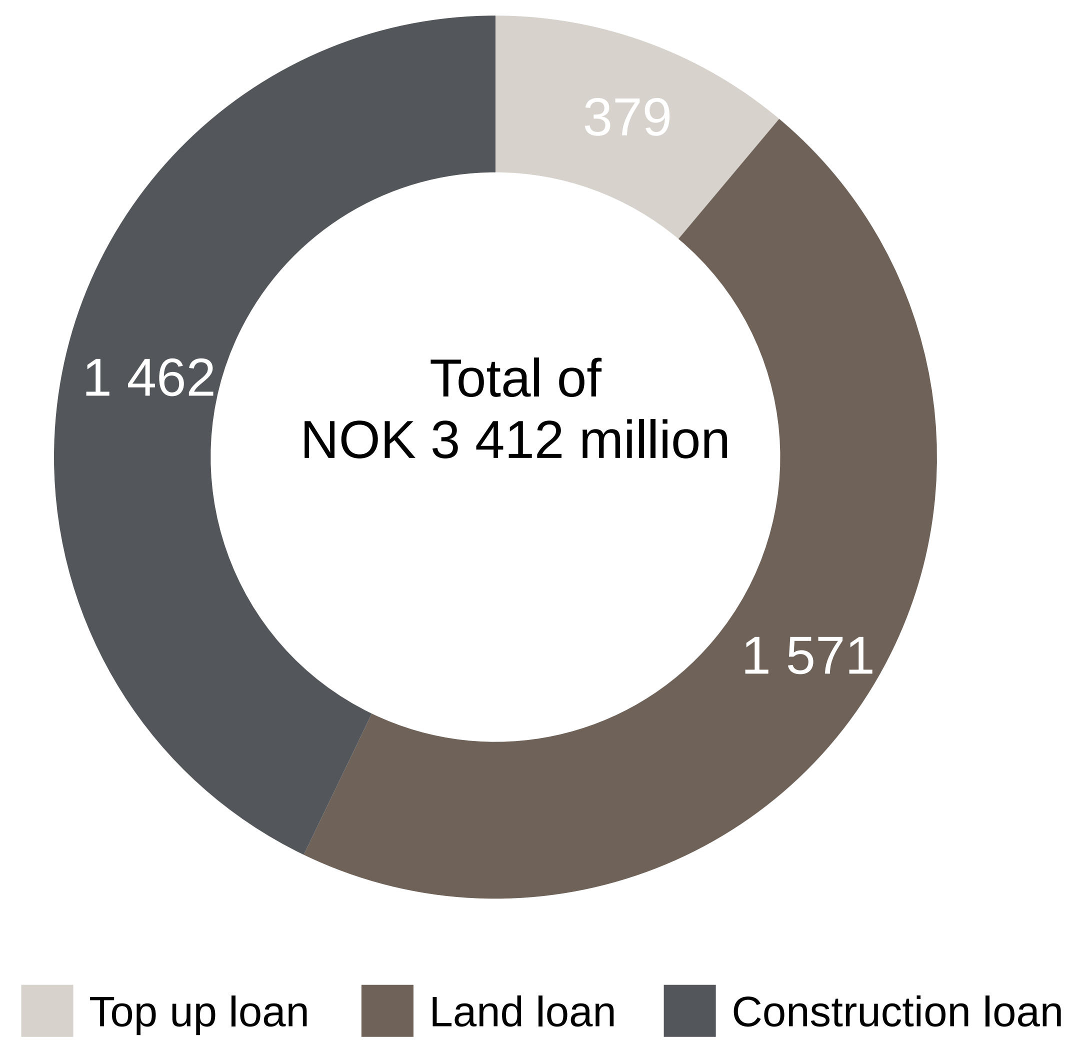
(figures in NOK million)	Q2 2012	Q2 2011	1H 2012	1H 2011	2011
Net cash flow from operating activities	28.1	(18.0)	(296.7)	(29.0)	(354.9)
Net cash flow from investment activities	19.3	(9.0)	13.4	(52.3)	32.9
Net cash flow from financing activities	30.1	31.6	277.4	93.6	703.7
	-	-	-	-	-
Net change in cash and cash equivalents	77.5	4.6	(5.8)	12.4	381.7
Cash and cash equivalents at start of period	311.8	21.4	395.2	13.5	13.5
Cash and cash equivalents at end of period	389.4	25.9	389.4	25.9	395.2

Interest bearing debt

Loan facilities (summary)

	Loan facility	Drawn per 30 June (NOKm)	Interest rate margin
1	Bond loan	17	2.00%
2	NOK 235 million term loan from DNB	218	4.00%
3	NOK 150 million revolving credit facility from DNB maturing in 2014	20	2.50%
4	NOK 150 million working capital facility from DNB maturing in 2014	132	2.50%
5	NOK 525 million long term land loan from DNB	525	2.25%
6	13 land loan facilities from a range of Nordic credit institutions	1,046	1.75% - 2.25%
7	25 construction loan facilities from a range of Nordic credit institutions	1,462	1.75% - 2.25%

Interest bearing debt as at 30 June 2012[1]



1)Top up loan of NOK 379m differs form the summed up top up loan in the table (NOK 387m). The difference is due to NOK -8m in amortized cost which is not actual debt.

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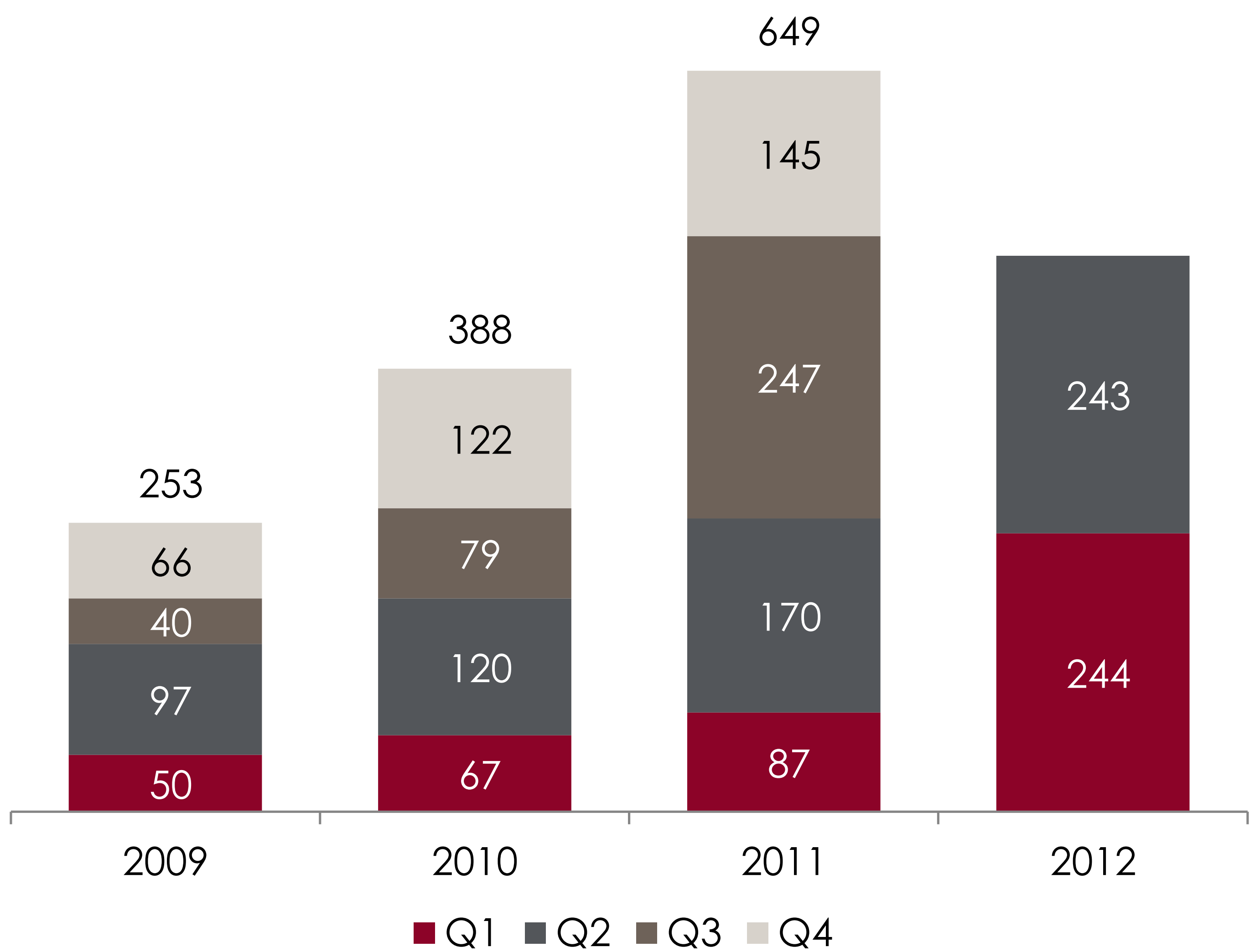
Operational highlights – key operating figures

(number of residential units, unless otherwise stated)	Q211	Q311	Q411	Q112	Q212
Residential units sold	170	247	145	244	243
Housing starts	49	100	98	188	118
Residential units completed	-	-	80	74	187
Residential units in production	895	995	1,014	1,128	1,059
% sold of residential units under construction	59 %	71 %	72 %	79%	86%
Unsold completed residential units	15	12	14	14	17
Sales value of projects under construction[1] (NOKm)	2,919	3,117	3,243	3,598	3,347
Number of employees	70	87	87	87	89

Sales and units under construction on track

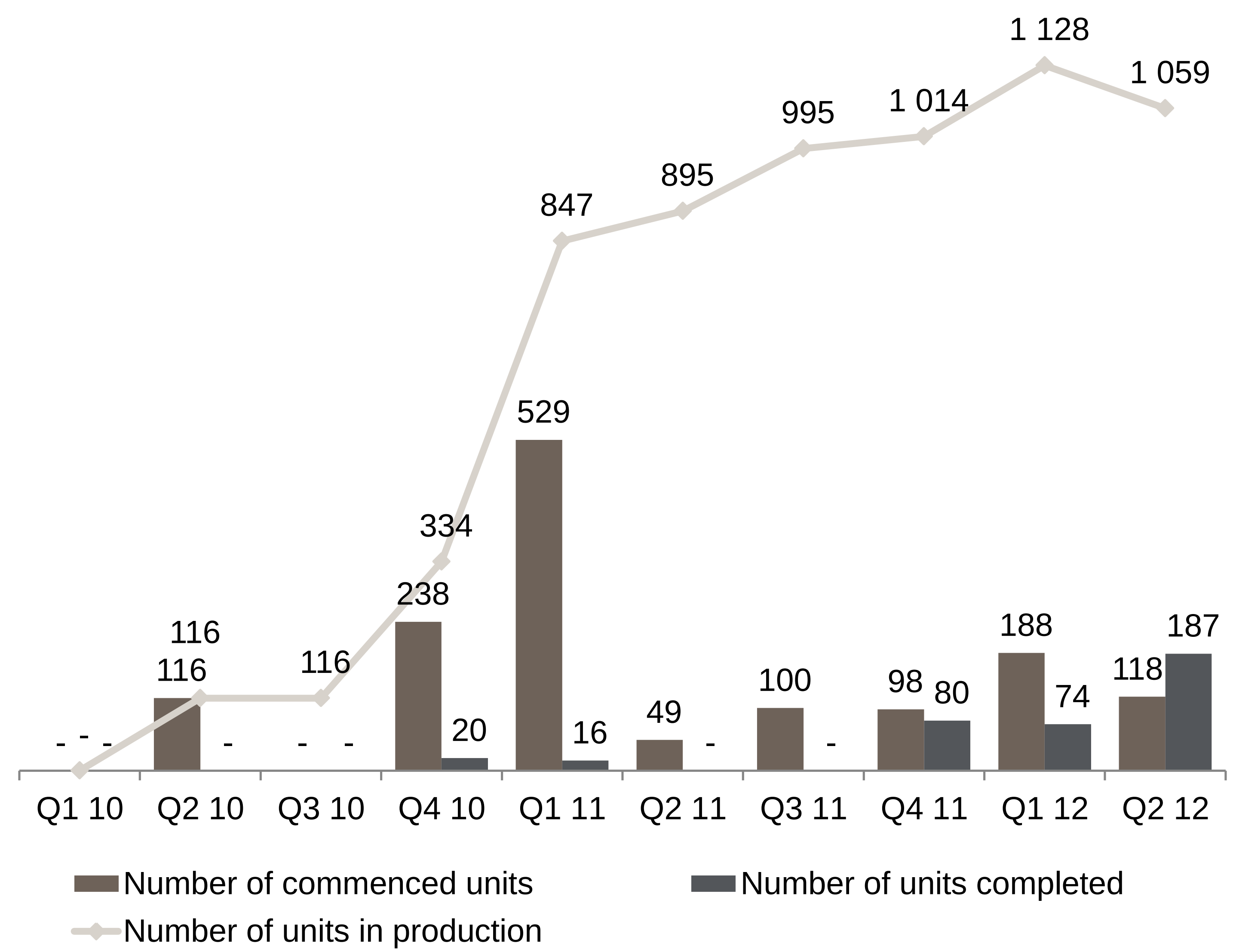
Sales

Residential units



Units under construction[1]

Residential units



Note: All numbers are adjusted for Selvaag Bolig's ownership in joint ventures
1) Measure point: decision of construction start, 2) Selvaag Bolig has a number of joint venture projects under construction. The joint venture partners' share amount to 125 residential units, implying that Selvaag Bolig currently manages 1,184 residential units under construction

Sales starts Q2 2012

Project	# of units	Category	Segment
Lørenpynten, Oslo	54	Flats	Greater Oslo
Lillohøyden, Oslo	61	Flats	Greater Oslo
Mortensrudhøyden, Oslo	53	Flats	Greater Oslo
Bjørnåsen Nord, Oslo	30	Terraced	Greater Oslo
Vestparken, Lørenskog	27	Flats	Greater Oslo
Nyhavn, Bergen	118	Flats	Rest of Norway
Total	343		

Lillohøyden

Construction starts Q2 2012

Development sales

Løren start – Greater Oslo

Number of apartments	88
Expected income	NOK 210 million
Production start	Q2 2012
Scheduled completion	Q4 2013

Løren start

Utsikten – Greater Oslo

Number of terrace houses	9
Expected income	NOK 35 million
Production start	Q2 2012
Scheduled completion	Q1 2013

Note: This is an environmental R&D project

Lervig brygge B2 – Rest of Norway

Number of terrace houses	21
Expected income	NOK 115 million
Production start	Q2 2012
Scheduled completion	Q2 2013

Finalization and deliveries Q2 2012

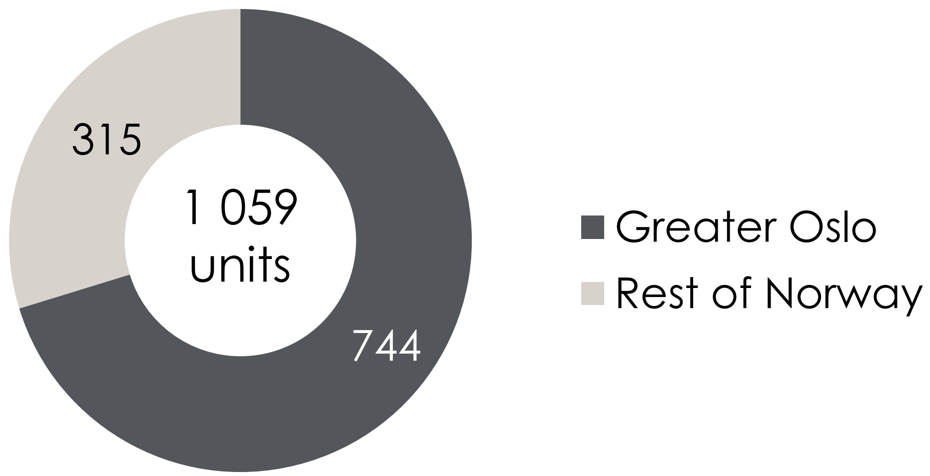
Project	# of units finalized	# of units delivered	Category	Segment
Mortensrudhøyden[1], Oslo	84	80	Flats	Greater Oslo
Kornmoenga, Oppegård	51	44	Flats	Greater Oslo
Lervig brygge, Stavanger	29	29	Flats & Terraced	Rest of Norway
Kjørbo, Bærum	23	23	Flats	Greater Oslo
Total	187	176		

[1] The four remaining units are sold, but will be delivered to the customers in Q3

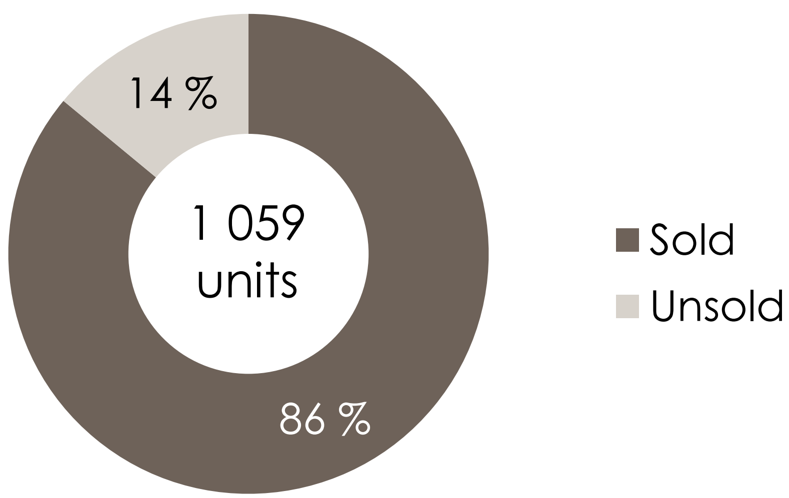
Lervik Brygge

Projects in production

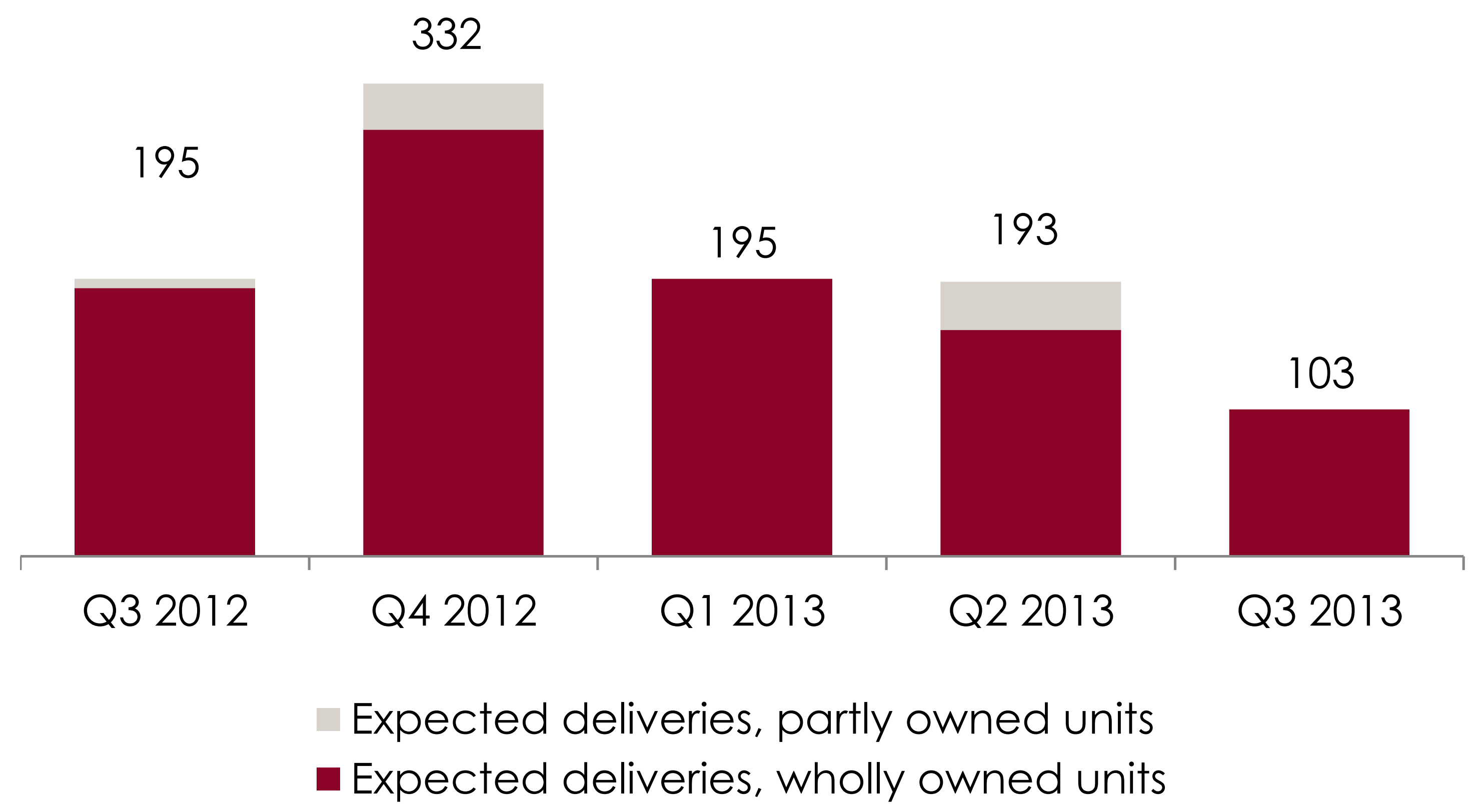
Segment distribution as at 30 June 2012



Sales status as at 30 June 2012

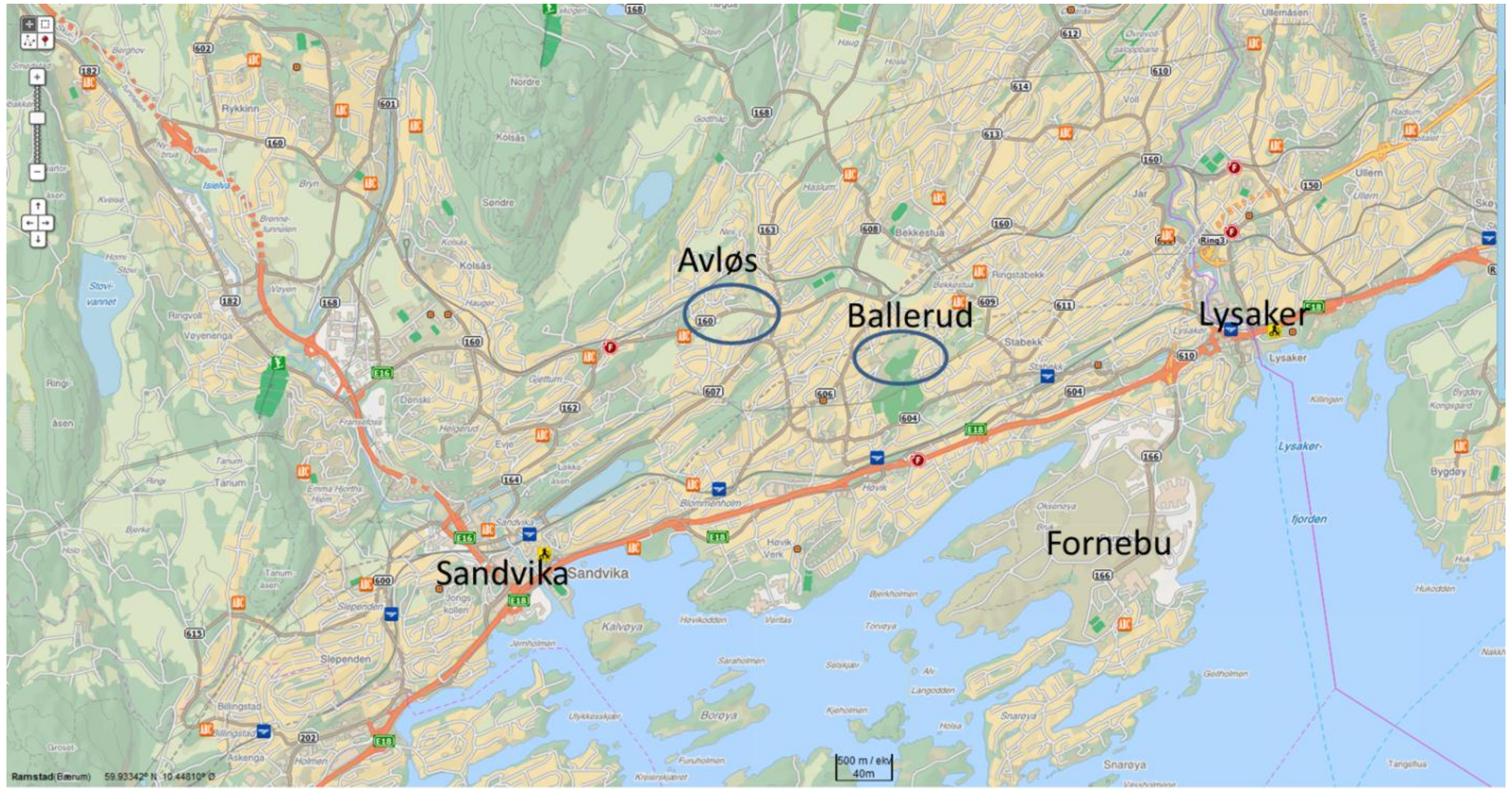


Expected deliveries



Acquisitions

- Acquired 15.5 hectares in Bærum (Ballerud and Avløs), potential for 1 000 homes
- The acquisitions in Bærum are subject to zoning. Expected zoning is 2015, and the project period is stipulated to 2016 - 2021



Disposals - Lillohøyden

- Sale of plot at Lillohøyden in Oslo to Oslo municipality NOK 240m
- City council has approved the transaction
- Expected plot delivery and transaction of proceeds in Q4 2012
- Profit of NOK 50 million to be recognized upon plot delivery
- Proceeds enable
  - Down payment of NOK 96 million in interest bearing debt
  - NOK 110 million in free cash flow

Disposals - Skårerødegaarden

- Sold 50% of commercial plot at Skårerødegaarden to the Municipality of Lørenskog
- Sales price NOK 50m
- Skårerødegaarden an important area for Selvaag Bolig
  - Plan to construct 1,000 residential units
  - Building of ice hockey arena increases attractiveness to the area
- Option to acquire remaining 50% for NOK 50m
  - Depend upon Oslo 2022 Winter Olympics award

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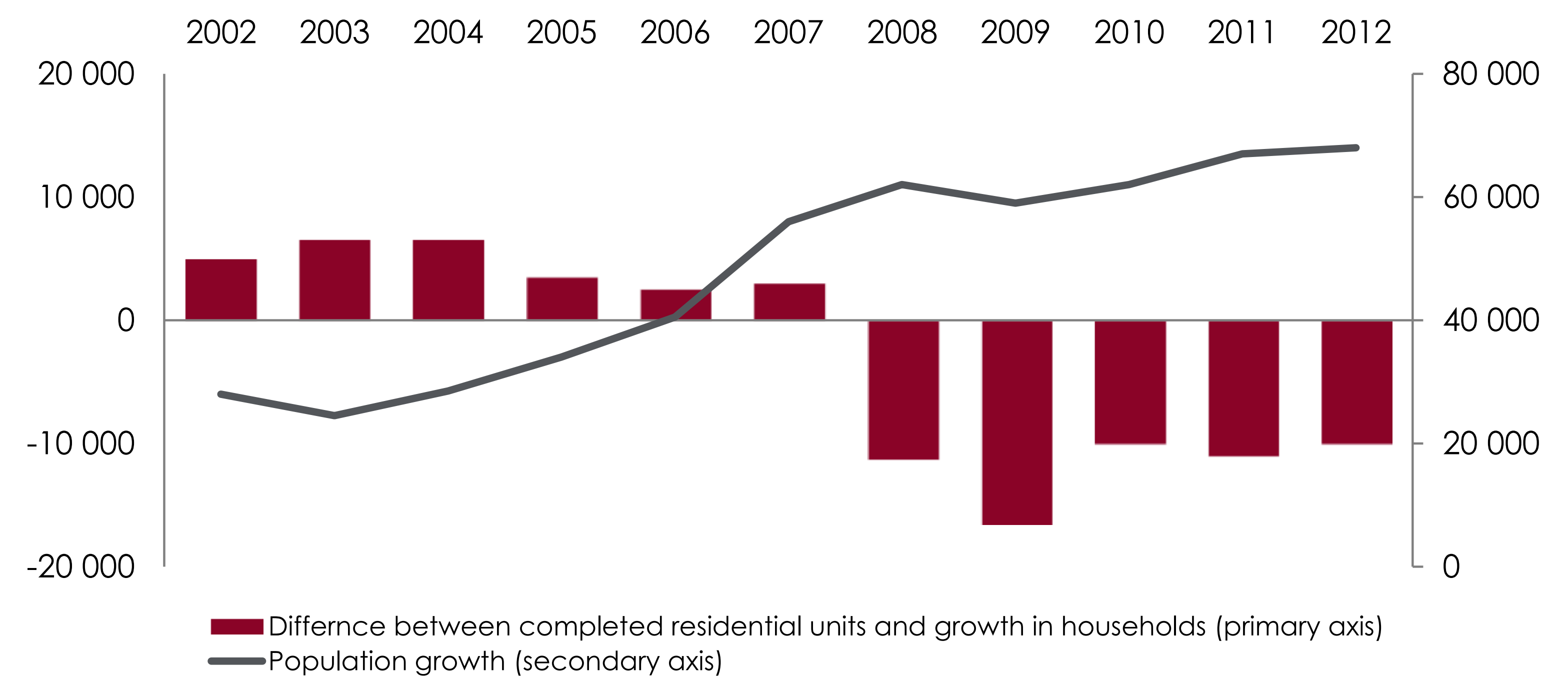
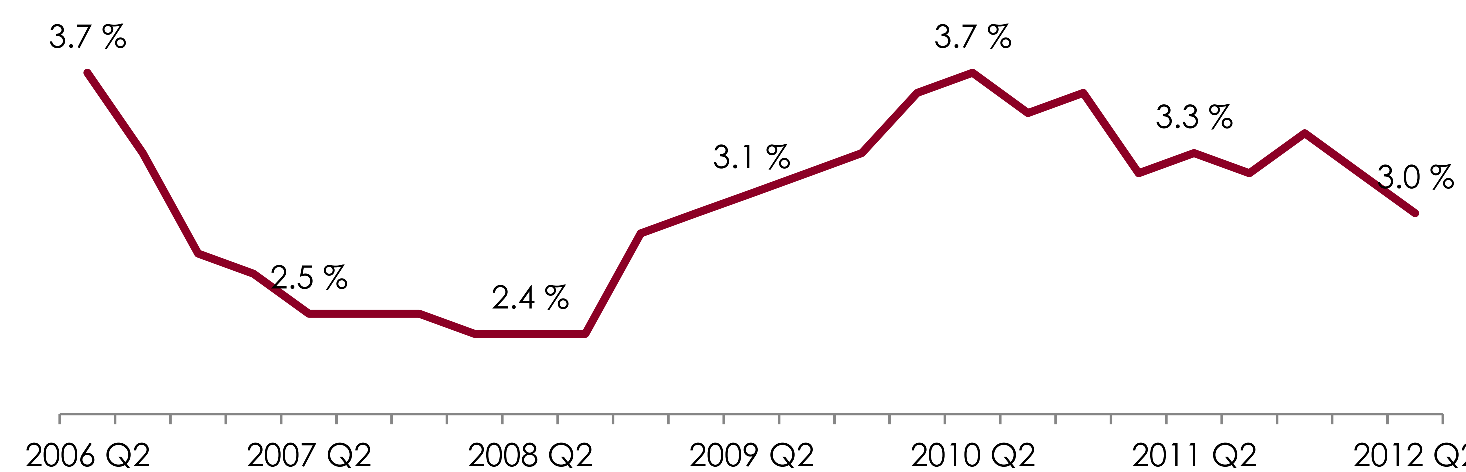
Macro developments

- Accumulated undersupply in residential development vs. household growth
- Labor market development support consumer confidence
- Continued strong development in Norwegian economy
- International economic turbulence dampening interest rate pressure

"Residential completion gap"



Unemployment



Source tables: Statistics Norway

The construction market

- On-site construction cost increased in 2012, due to regulations
- The modular construction cost increased in line with CPI.
  - Benefited from a weak euro

Moss

A different housing market

- Significant regional variations
- Undersupply in selected categories
- Rising housing shortage in urban areas
- Need for additional land plots and new regulations
- Need for modernisation of building regulations
  - Addressing current market constrains
  - Offset regional limitations

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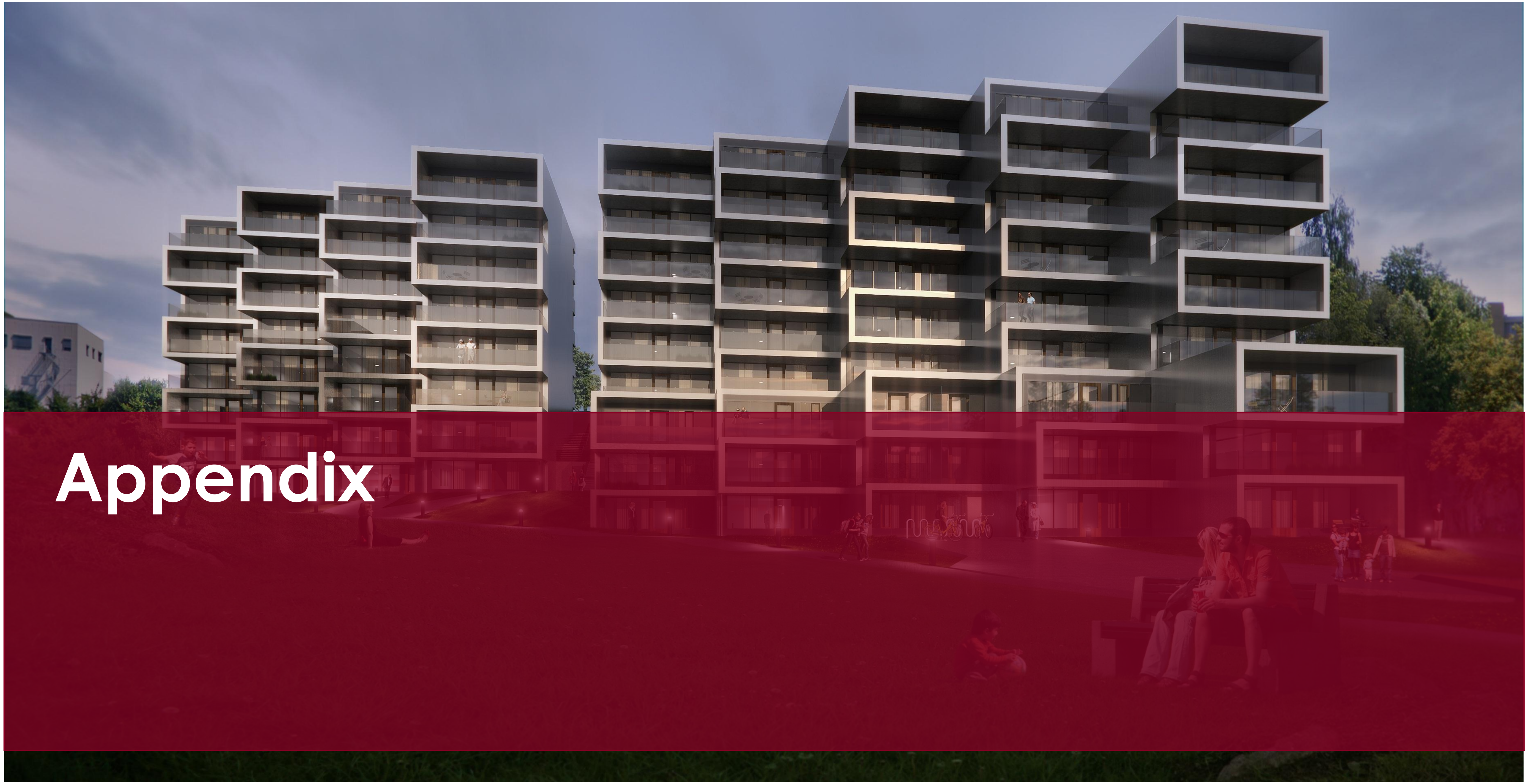
Summary and outlook

- Listed on the OSE 14 June 2012
- Strong markets, solid sales momentum
- High production activity

- Focus on sale starts and project initiations
- Macro economic environment indicates continued rise in prices
- Well positioned for growth with plots in targeted regions

Thank you for your attention

Q3 2012 results 27 November 2012



Appendix

IFRS EBITDA Q2 2012

(figures in NOK 1 000)	Property development: Greater Oslo	Property development: Rest of Norway	Property development: Other countries	Other	Total
IFRS EBITDA second quarter per segment					
Operating revenues	374.1	110.2	0.1	10.0	494.4
Project expenses	(287.4)	(98.2)	-	(2.4)	(388.0)
Other operating expenses	(27.1)	(3.3)	(0.2)	(27.0)	(57.6)
Share of income (losses) from associated companies and joint ventures	9.2	2.2	(0.3)	-	11.1
Other gain (loss), net	-	4.1	-	0.1	4.2
EBITDA	**68.8**	**15.0**	**(0.4)**	**(19.2)**	**64.2**

Operational Reporting second quarter

	Property development				
(figures in NOK 1 000)	Greater Oslo	Rest of Norway	Other countries	Other	Total
Operating revenues	**450.7**	**209.1**	**0.1**	**10.0**	**669.9**
Project expenses	(334.8)	(177.6)	-	(2.4)	(514.8)
Other operating expenses	(27.1)	(3.3)	(0.2)	(27.0)	(57.6)
EBITDA (percentage of completion)	**88.8**	**28.2**	**(0.1)**	**(19.3)**	**97.5**

Note: Construction costs are exclusive of financial expenses in the segment reporting.

Land loan interests on the P&L

- Total land loans are NOK 1 517 whereas NOK 1 041 is related to loans where interest cost are activated
- Land loan interests activated at regulation
- As at 30 June interests connected to Land loans of NOK 530 million was charged on the P&L

Interest charged on the P&L as at 30 June 2012