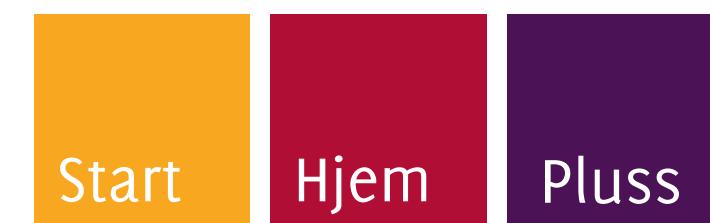


Q4 2013

Oslo 28 February 2014
Baard Schumann, CEO
Haavard Rønning, CFO

SELVAAG BOLIG



Agenda

■ Highlights

- Operational update
- Financial update
- Outlook and summary



Operational highlights fourth quarter

- Several construction starts and increased building activity
- Weaker sales pace than in previous quarters
- Acquisition of land at Økern in Oslo and in Ski
- NOK 690 million added value on land bank
- Proposed dividend of NOK 0.5 per share for 2013

Financial highlights

Q4 2013

Operating revenues

376

million NOK

EBITDA margin

0.4

per cent

Full year 2013

Operating revenues

2 197

million NOK

EBITDA margin

13.2

per cent

Equity ratio

37.9

per cent

EBITDA margin (NGAAP)

11.0

per cent

Units under construction

1 474

EBITDA margin (NGAAP)

16.3

per cent

Agenda

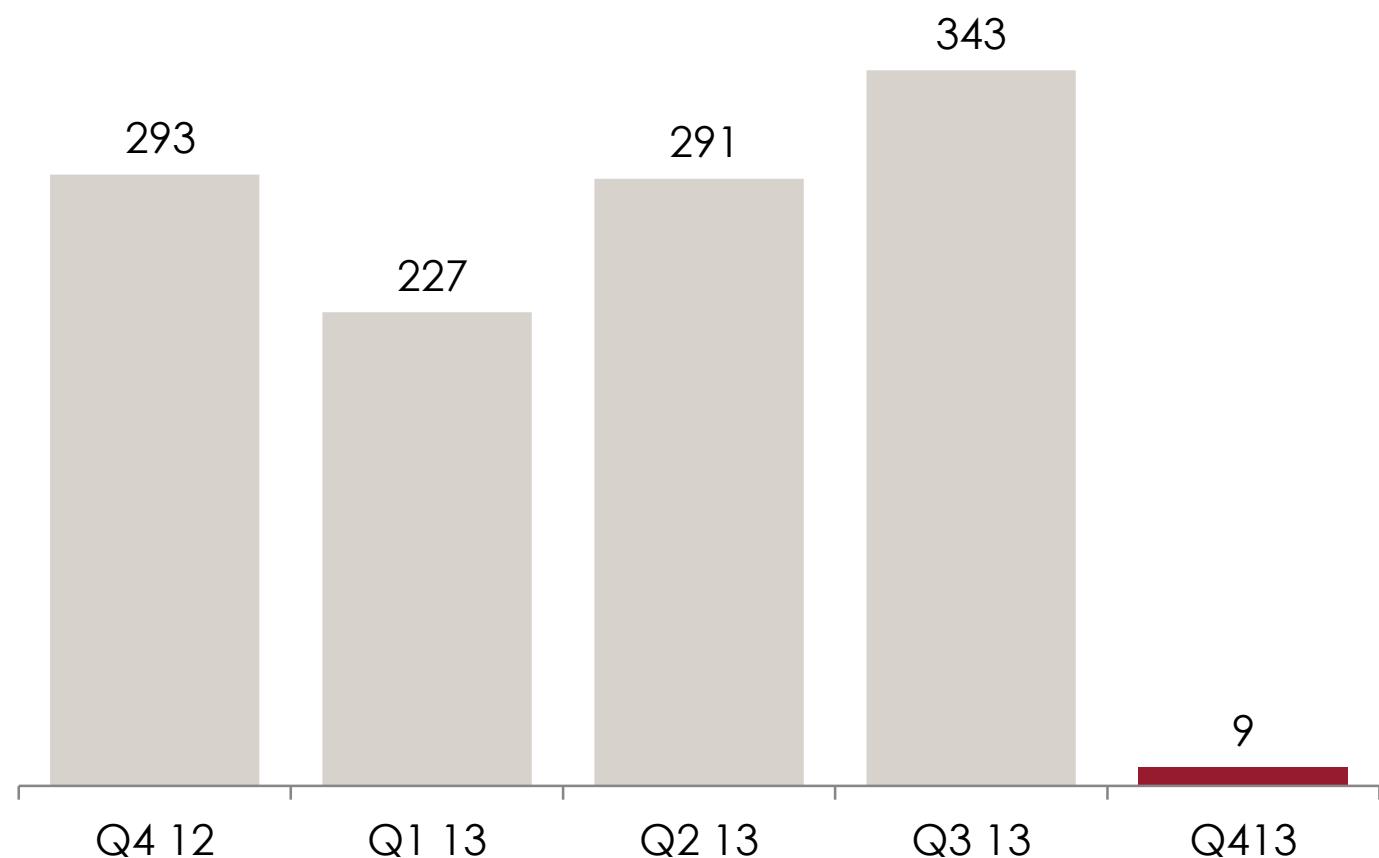
- Highlights
- **Operational update**
- Financial update
- Outlook and summary



Only one sales start due to market conditions

Sales starts per quarter

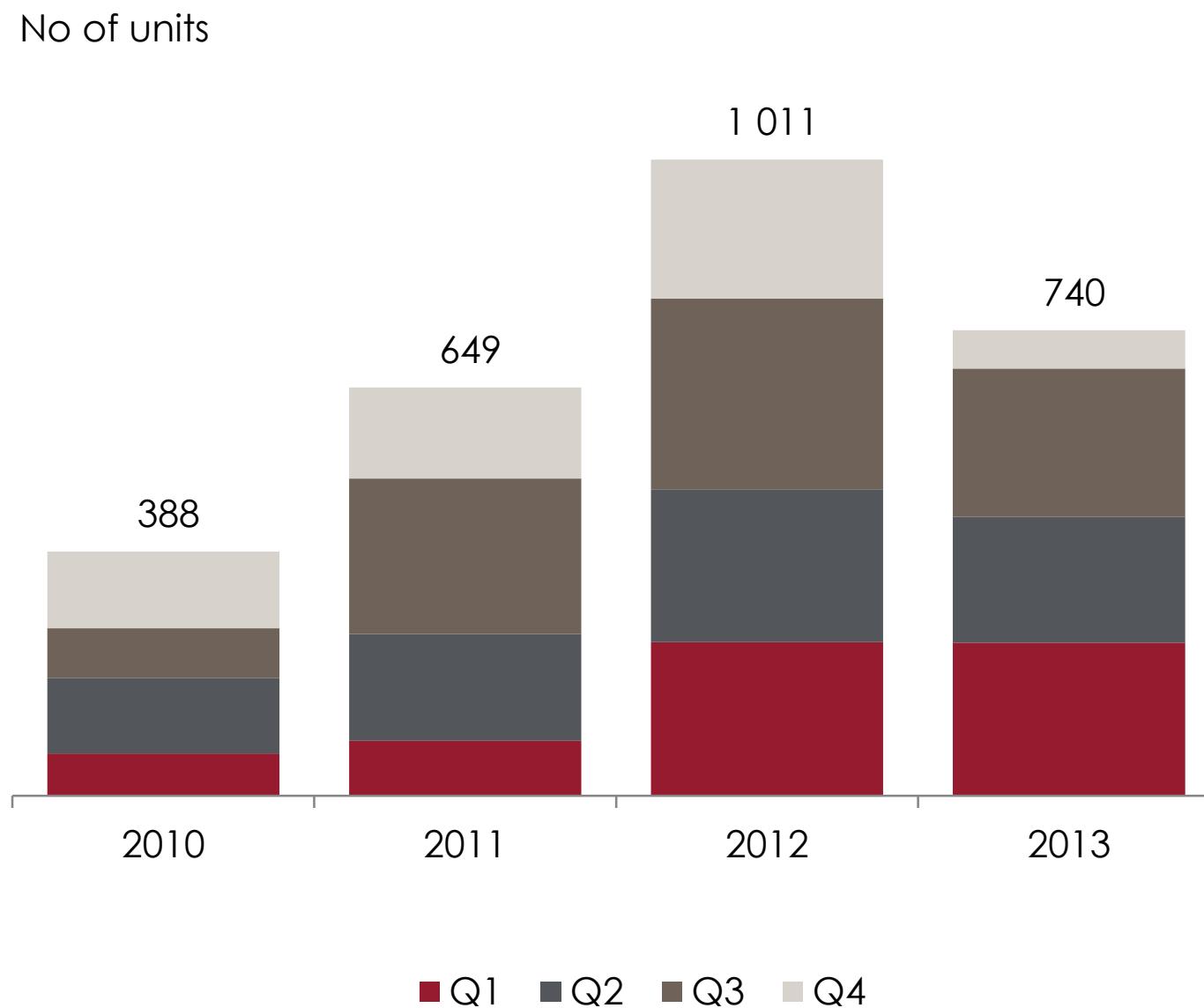
No of units



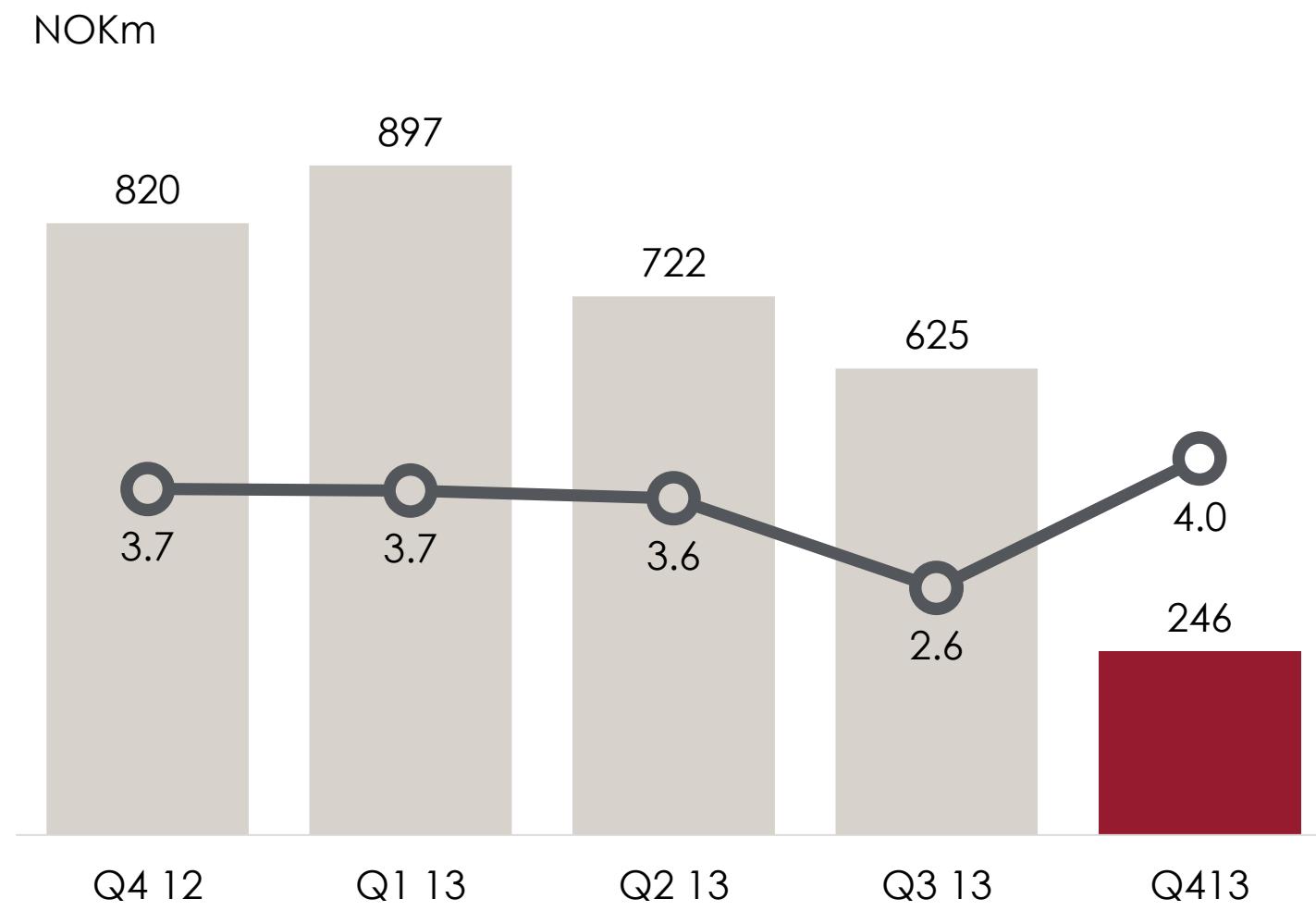
- Sales start postponed due to market conditions
- Sales start on one project
 - Terraced homes in Greater Oslo – 9 units

Sales pace slowing down

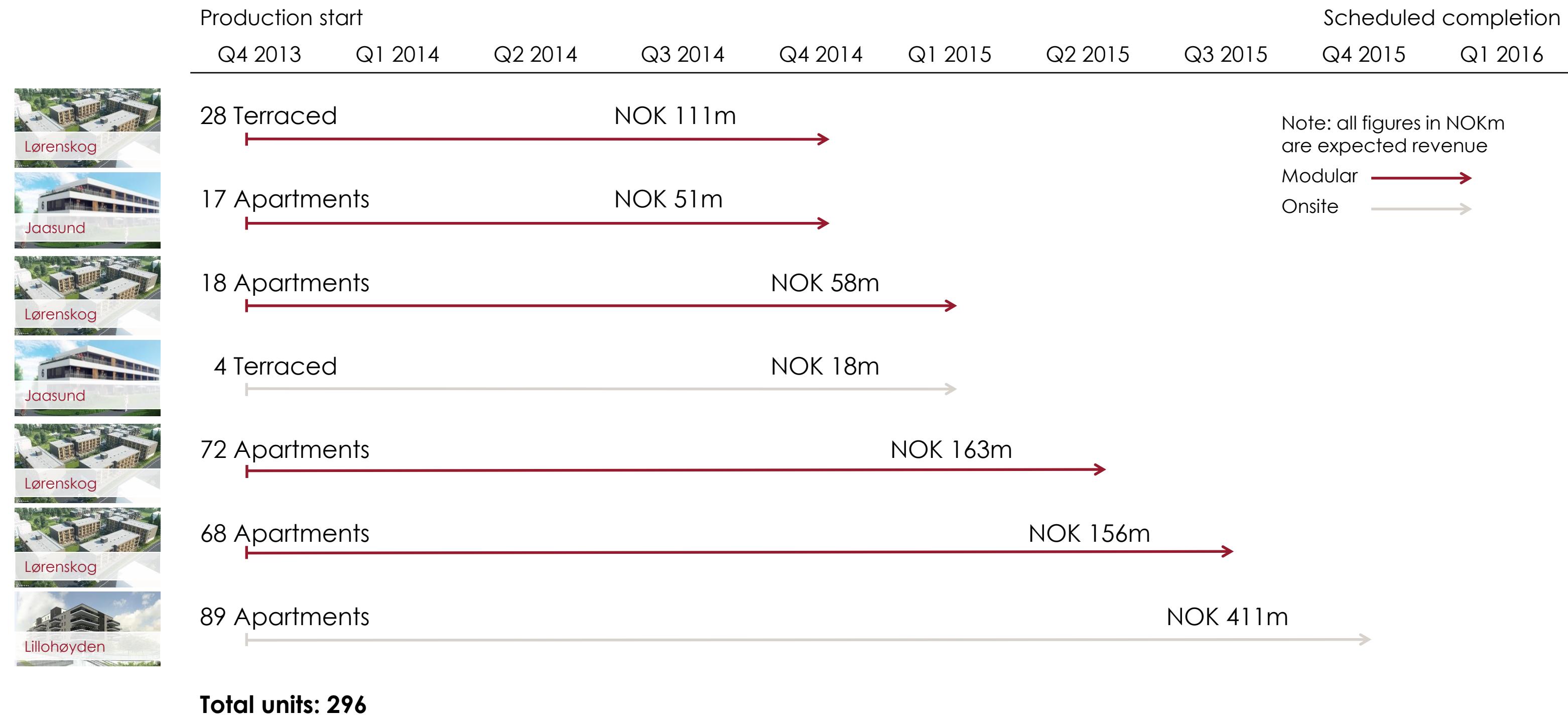
Residential units sold



Total sales value and value per sold unit

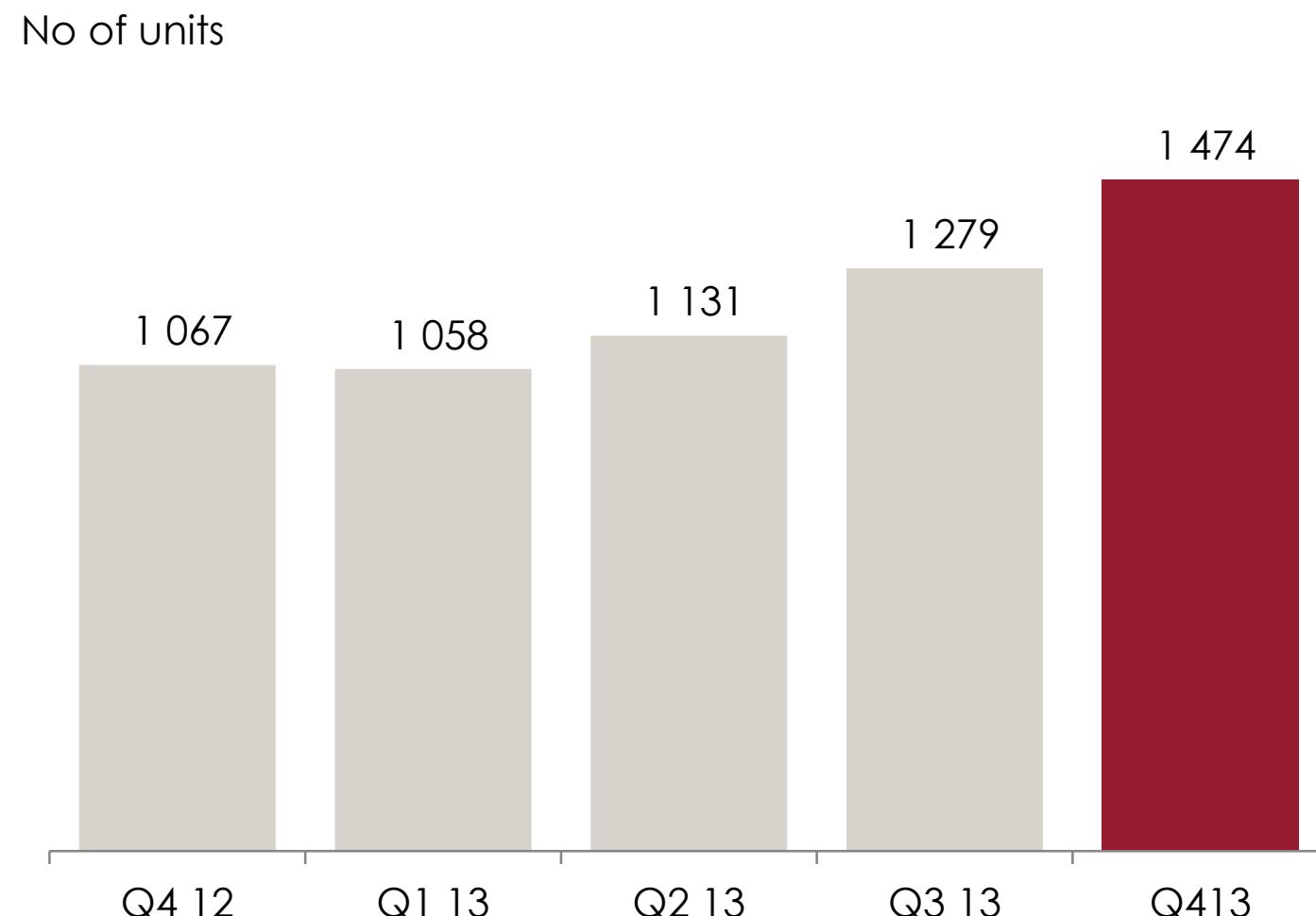


Construction start on existing projects



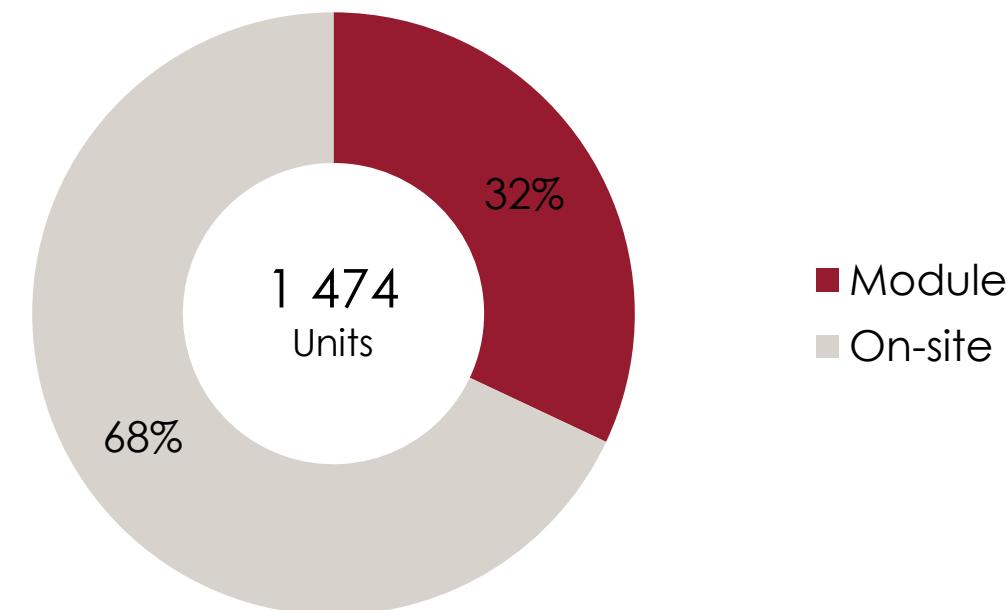
Growth in production activity

Quarterly development units in production



Note: All numbers are adjusted for Selvaag Bolig's ownership in joint ventures.
 Measure point: decision of construction start. Selvaag Bolig has two joint venture projects under construction. The joint venture partners' share amount to 71 residential units, implying that Selvaag Bolig currently manages 1545 residential units under construction

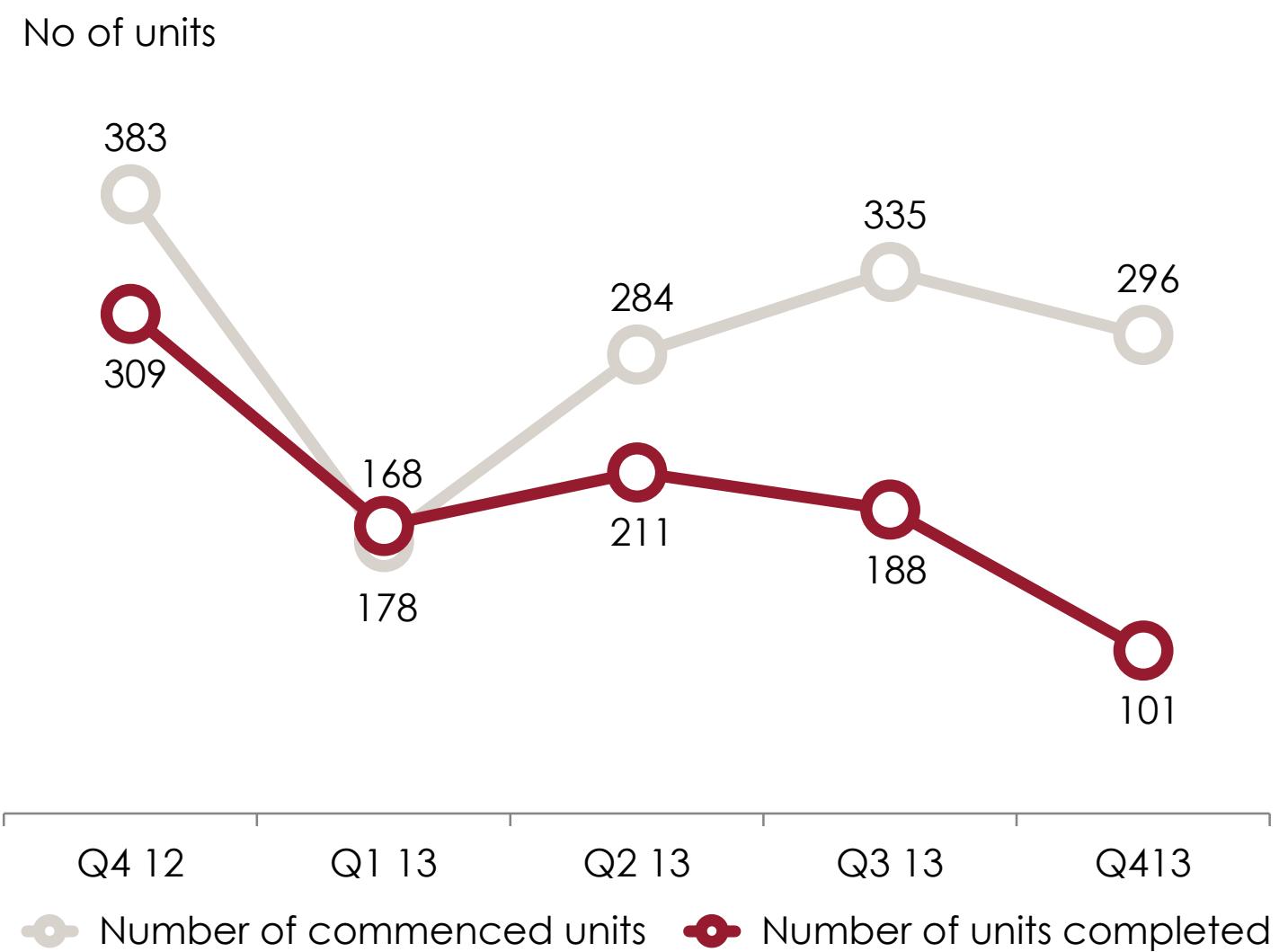
Production split



- Sales value of units in production NOK 5 421 million
- 78% of production volume in Greater Oslo
- 75% of the units are sold

Continued strong commenced/completed ratio

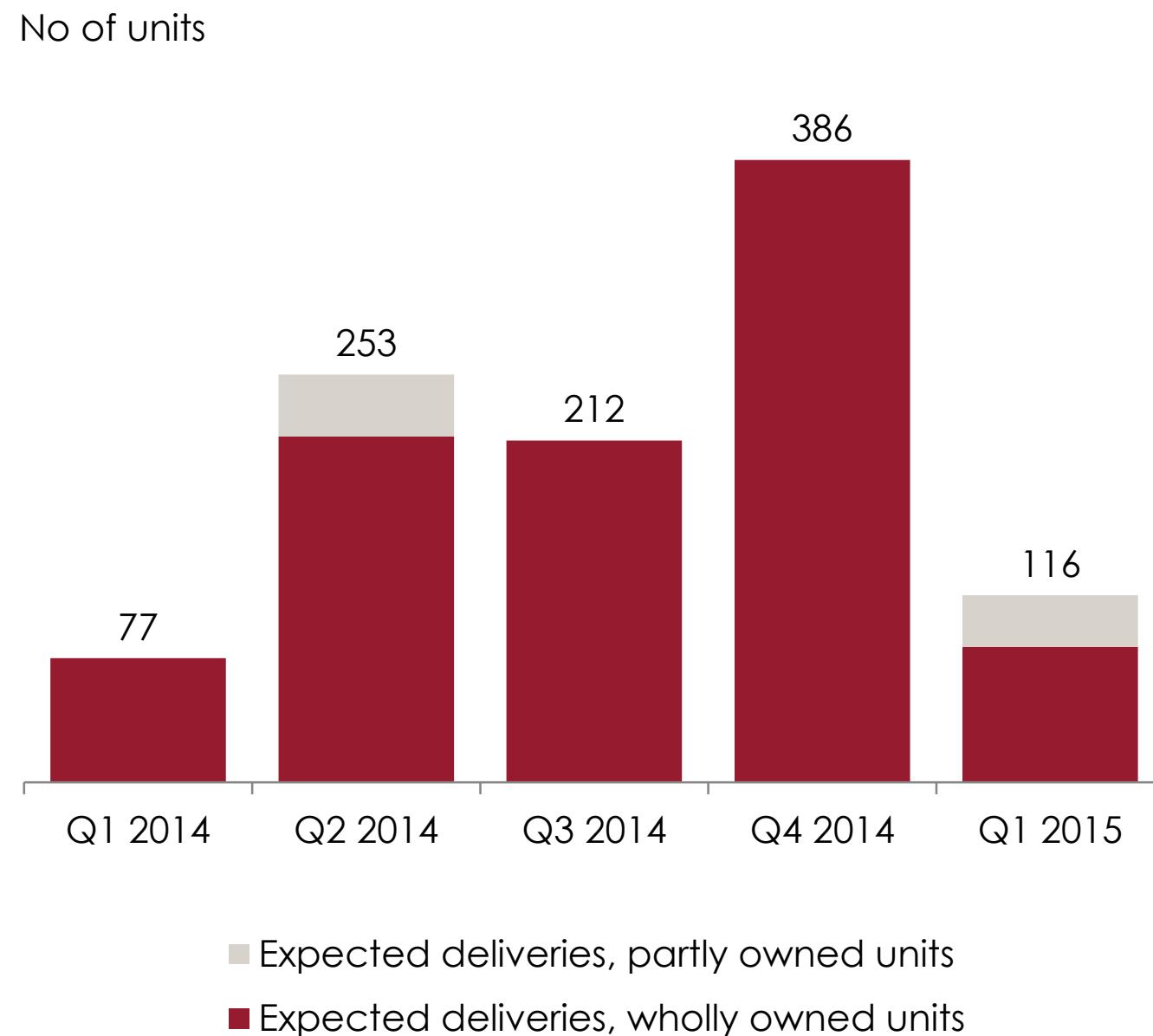
Commenced and finalized units



Note: All numbers are adjusted for Selvaag Bolig's ownership in joint ventures.

1 044 units for delivery next five quarters

Expected deliveries per quarter



- 85% of the 2014 deliveries sold
- Delivery of Øya Lervig Brygge advanced two quarters
- 80 units expected to be delivered in Q4 2014. Initially scheduled for Q2 2015

Acquisitions

Two new projects

- Acquisition of project at Økern in Oslo
 - Approximately 360 apartments
 - NOK 195 million, implies a price of NOK 7 800 per saleable square metre
 - Completion of transaction in Q4 2014
- Project in Ski - a 50/50 JV with AF-Gruppen
 - Approximately 120 apartments
 - NOK 70 million
 - Corresponds to NOK 7 200 per saleable square metre, given the same utilisation as other nearby projects
 - Transaction completed in Q4 2013



Økern, Oslo

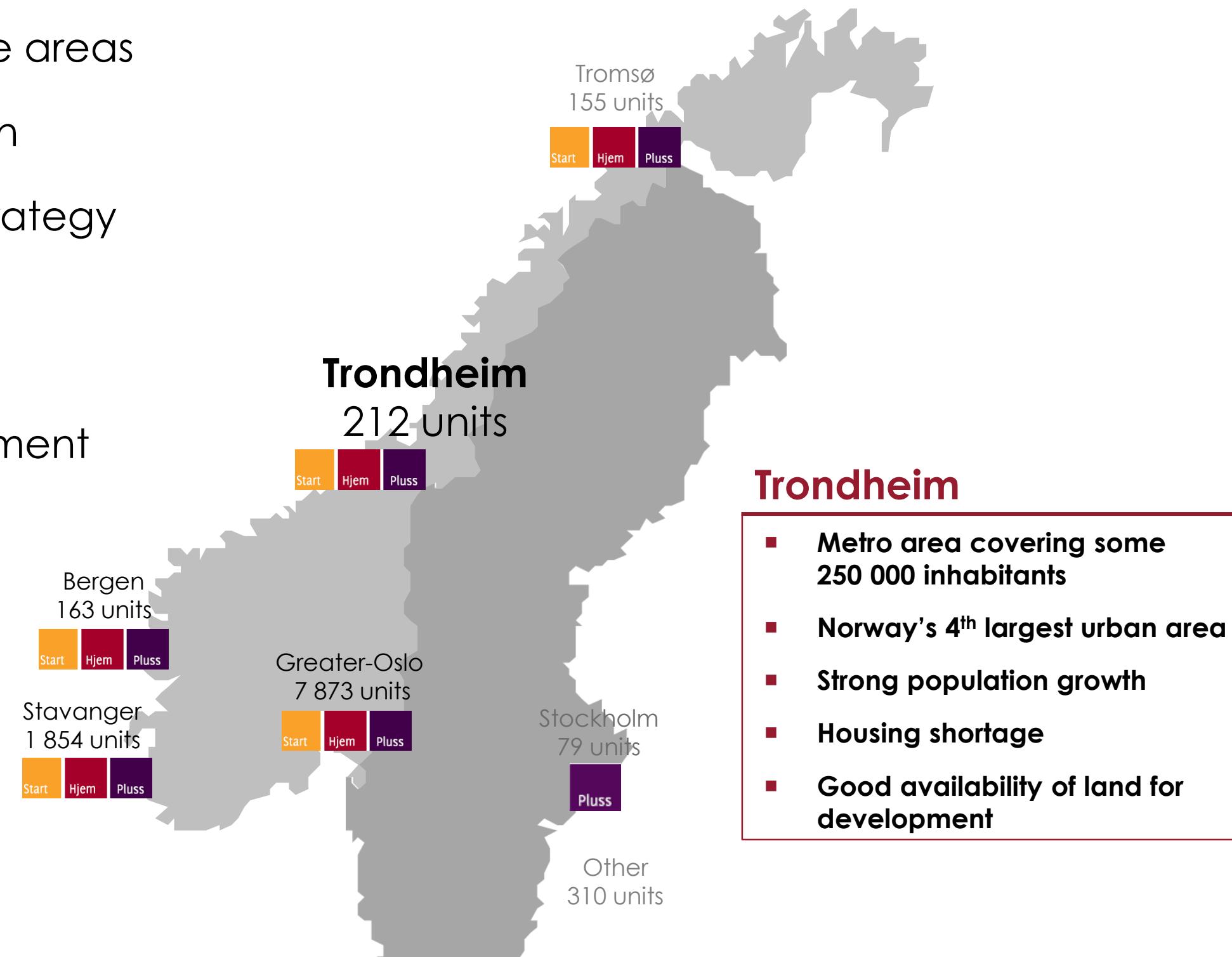
Disposals

Four new sales

- Sale of commercial property at Løren
 - Sales price NOK 15.7 million
 - Accounting loss of NOK 1.2 million
- Sale of plots in Tromsø, Stavanger and Tønsberg
 - Sales price NOK 54.3 million
 - Accounting loss of NOK 1.4 million

New core area - Trondheim

- Demographics similar to current core areas
- Geographical portfolio diversification
- Available plots support corporate strategy
- Local organization established
 - First employee recruited
- Already one project under development
 - Plot at Lade in current land bank
 - First units for sale in Q2 2014
- An important contributor to increasing deliveries per year



Agenda

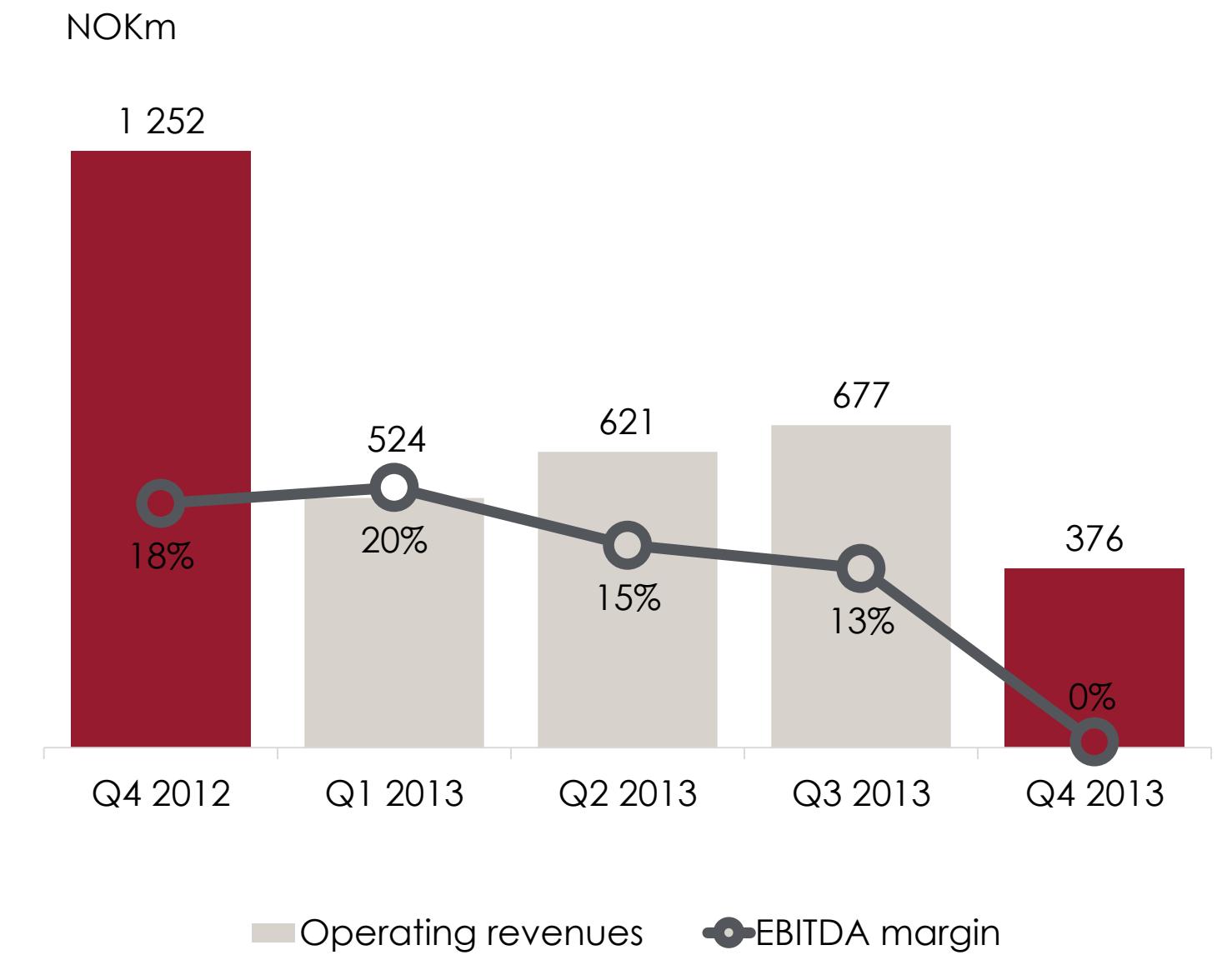
- Highlights
- Operational update
- **Financial update**
- Outlook and summary



Income statement highlights Q4 2013 (IFRS)

- Revenues of NOK 376 million (1 252)
 - Delivery of 118 units (309)
 - Sale of properties NOK 70 million (213)
- Project cost of NOK 316 million (968)
- Other OPEX NOK 63 million (75)
 - Bonus for 2013 booked in Q3 13. Bonus for 2012 booked in Q4 2012

Revenue and EBITDA margin (IFRS)

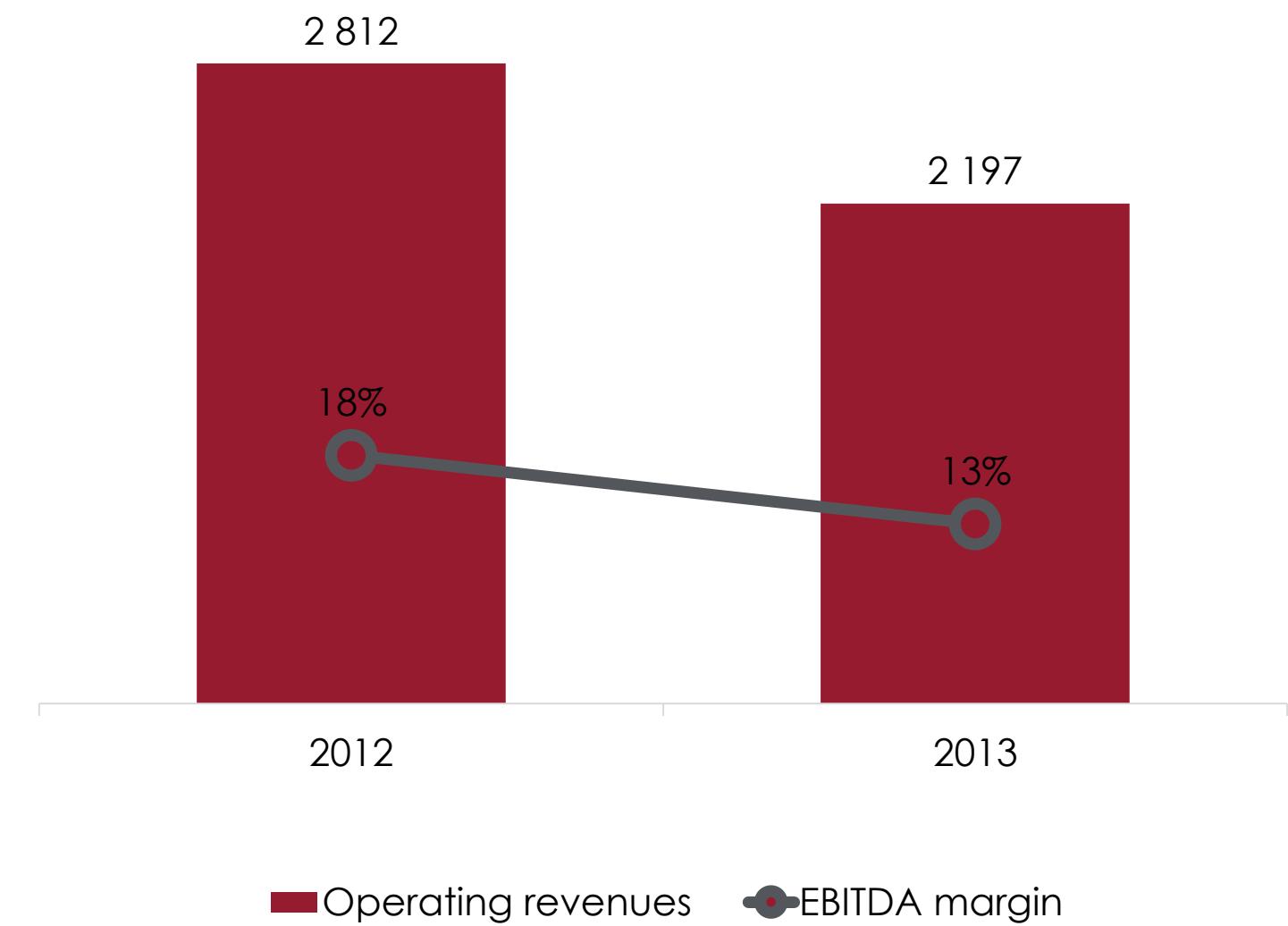


Income statement highlights FY 2013 (IFRS)

- Revenues NOK 2 197 million (2 812)
 - Delivery of 687 units (776)
 - Net contribution from sale of properties NOK 33 million (124)
- Project cost NOK 1 710 million (2 141)
- Other OPEX NOK 231 million (236)

Revenue and EBITDA margin (IFRS)

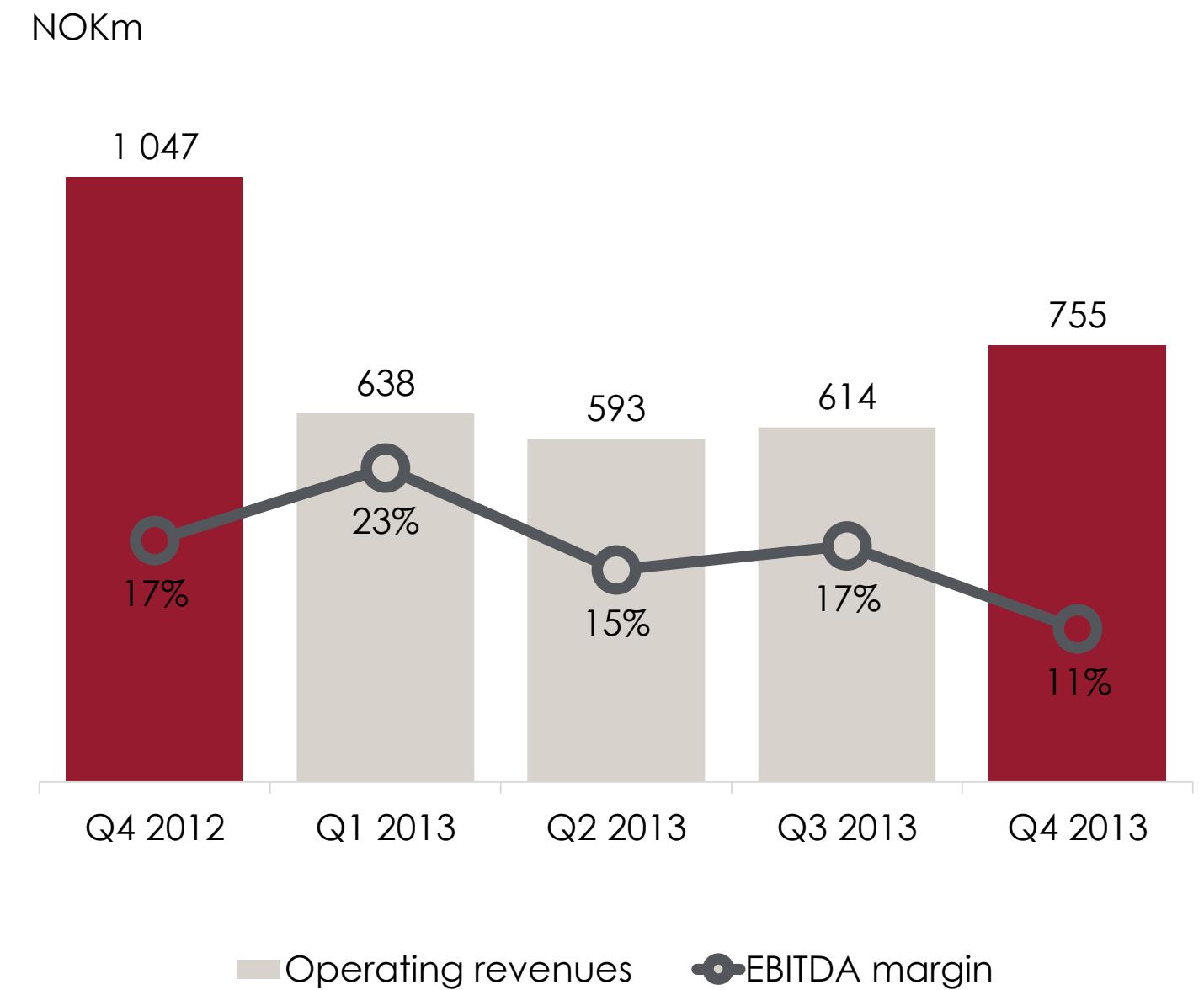
NOKm



Income statement highlights Q4 2013 (NGAAP)

- Margin negatively affected by low sales in Q4 2013
- High production
- Good margins in projects under construction
 - EBITDA-margin adjusted for sales of plots and one-offs was 13.2% in Q4
- Q4 2012 positively affected by a gain of NOK 57.0 million from sale of land to the Oslo Municipality

Revenue and EBITDA margin (NGAAP)*

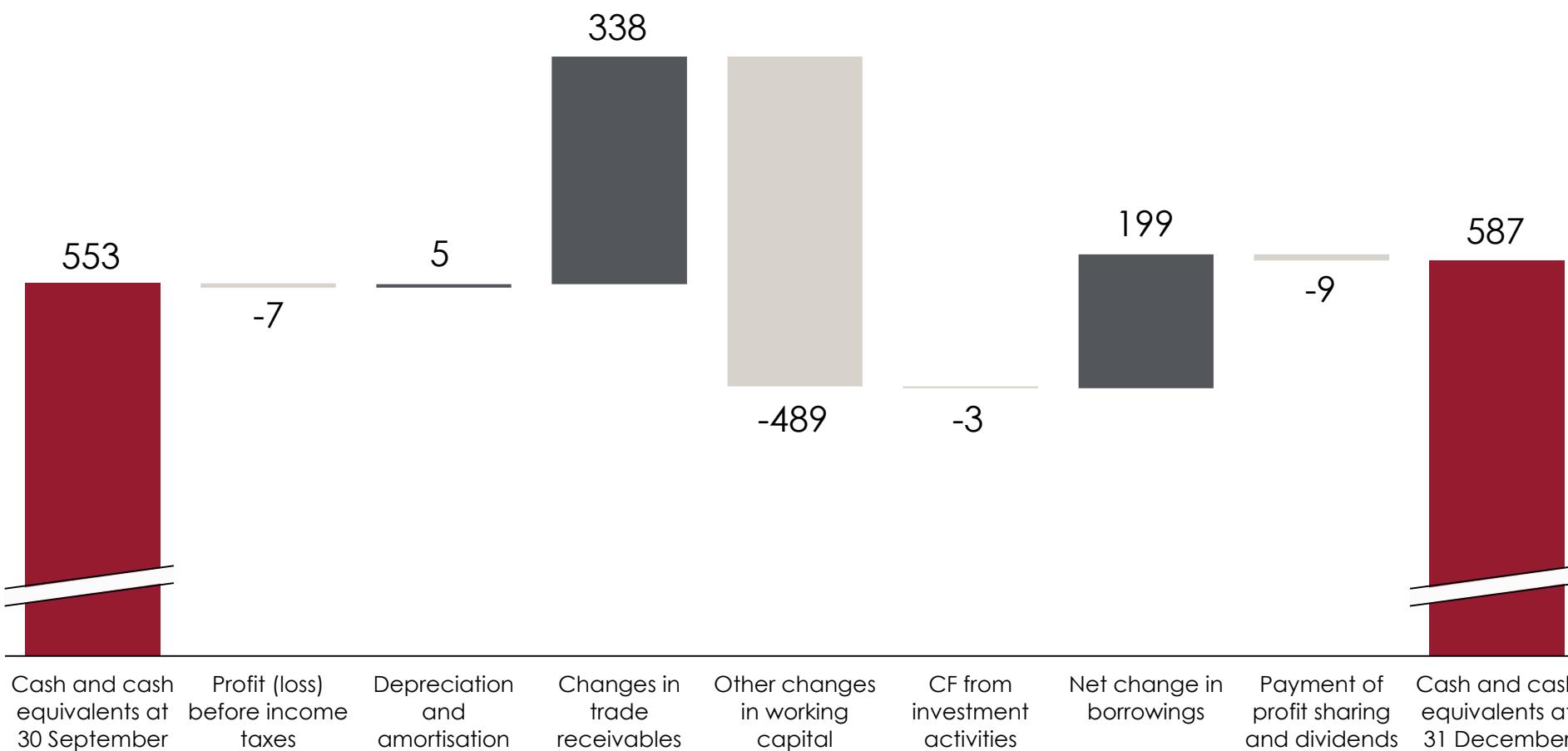


* Construction cost are exclusive of financial expenses in the segment reporting

Cash flow development

Condensed cash flow

NOKm

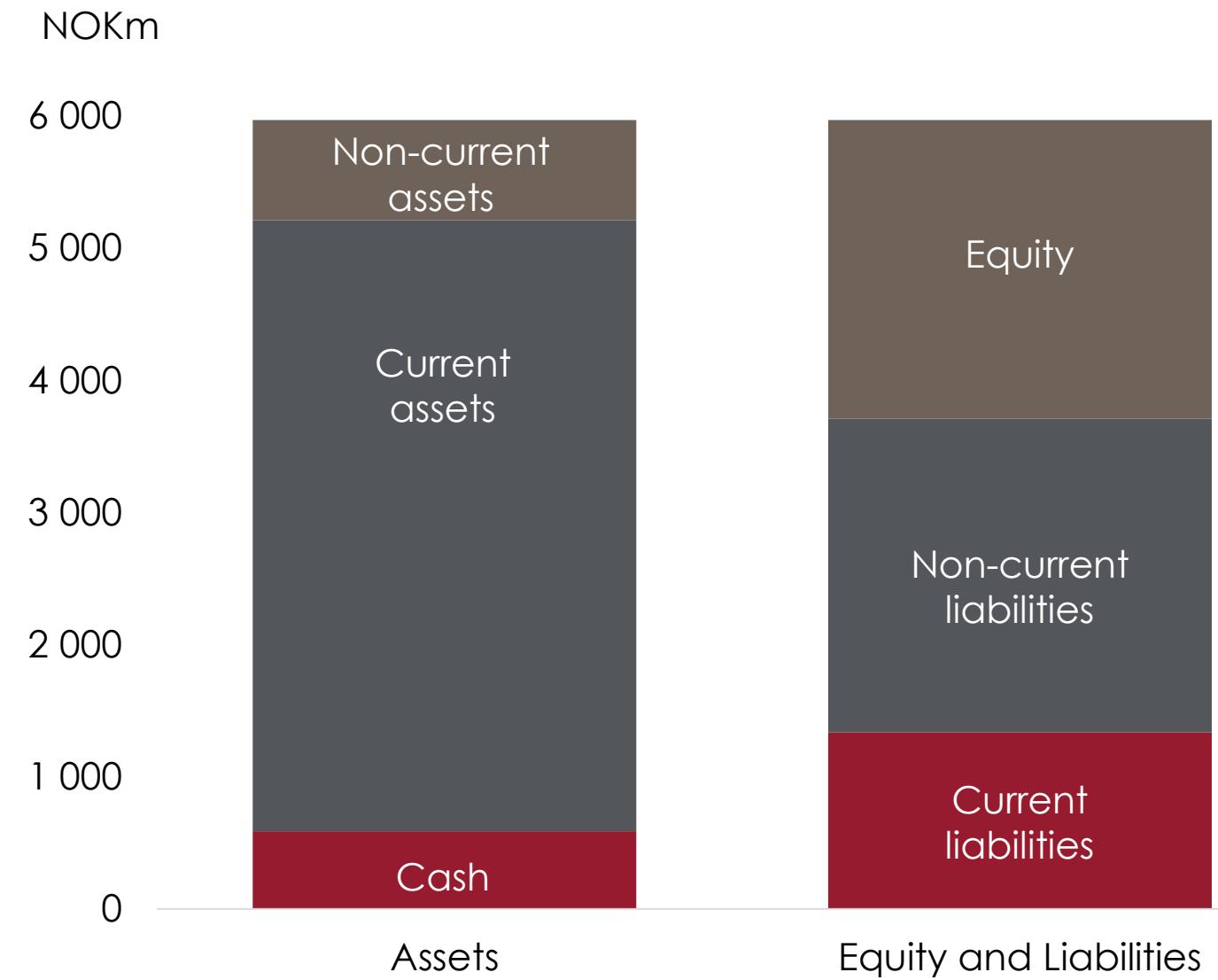


- Payment for residential units delivered in Q3 2013
 - Løren 7 (NOK 120 million)
 - Nesttun (NOK 120 million)
 - Lervik Brygge (NOK 98 million)
- Increased volume of units under construction

Balance sheet highlights

- Book value per share NOK 23.9
- Trade receivables down NOK 338 million
- Inventory increased NOK 419 million
- Net decrease of NOK 86 million in current interest-bearing liabilities
- Prepayments from customers count for NOK 278 million of other current non interest-bearing liabilities
- BoD propose dividend of NOK 0.50 per share

Balance sheet composition

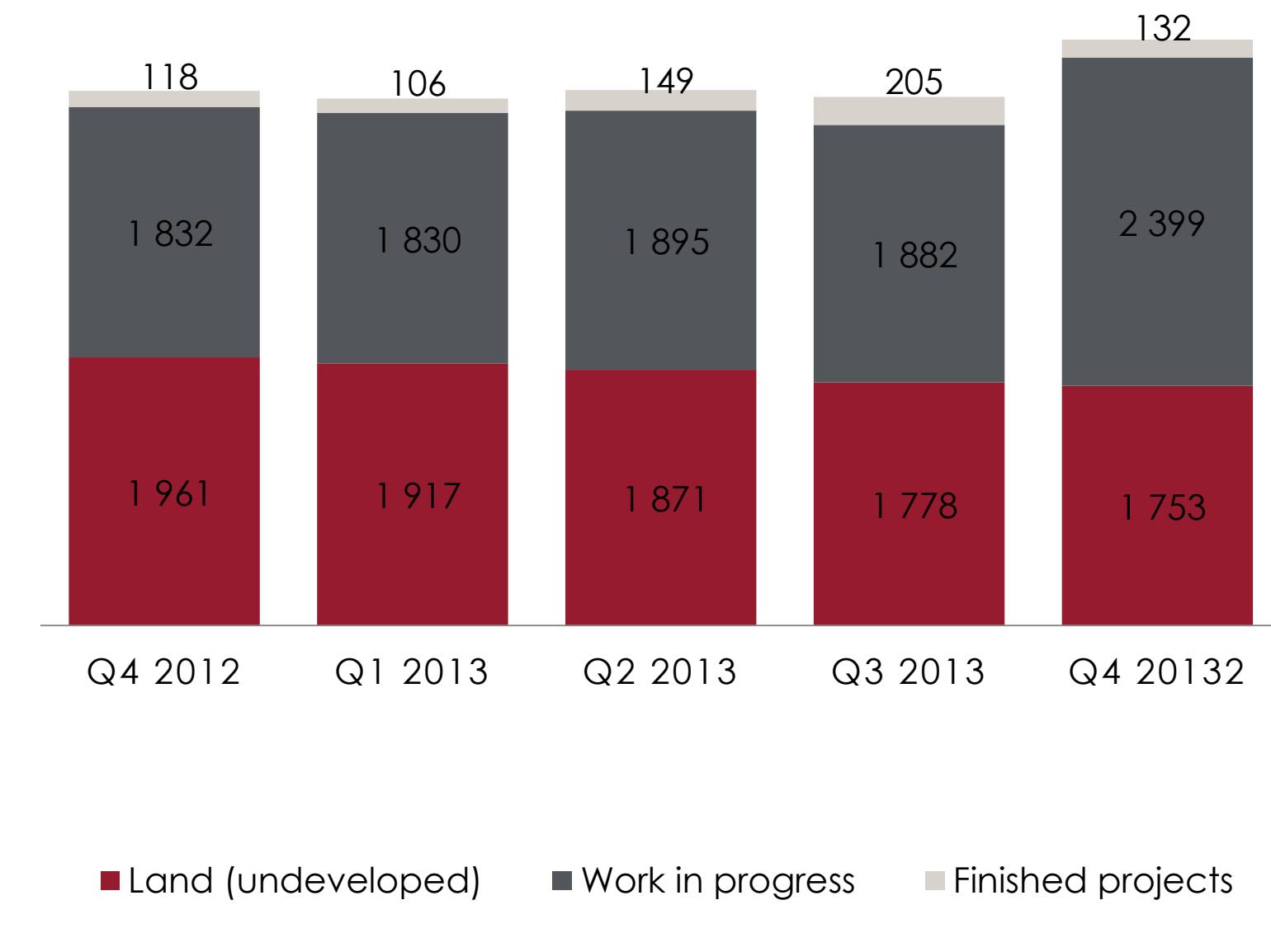


Inventories (property)

- Land value decreased
 - Acquisition at Løren completed in Q4
 - Disposal of plot in Tromsø completed in Q4
- Work in progress increased
 - High activity in projects under construction
- Finished goods decreased by NOK 73 million
 - Due to sale of commercial property at Løren and units been finalized in previous quarters being delivered to buyers

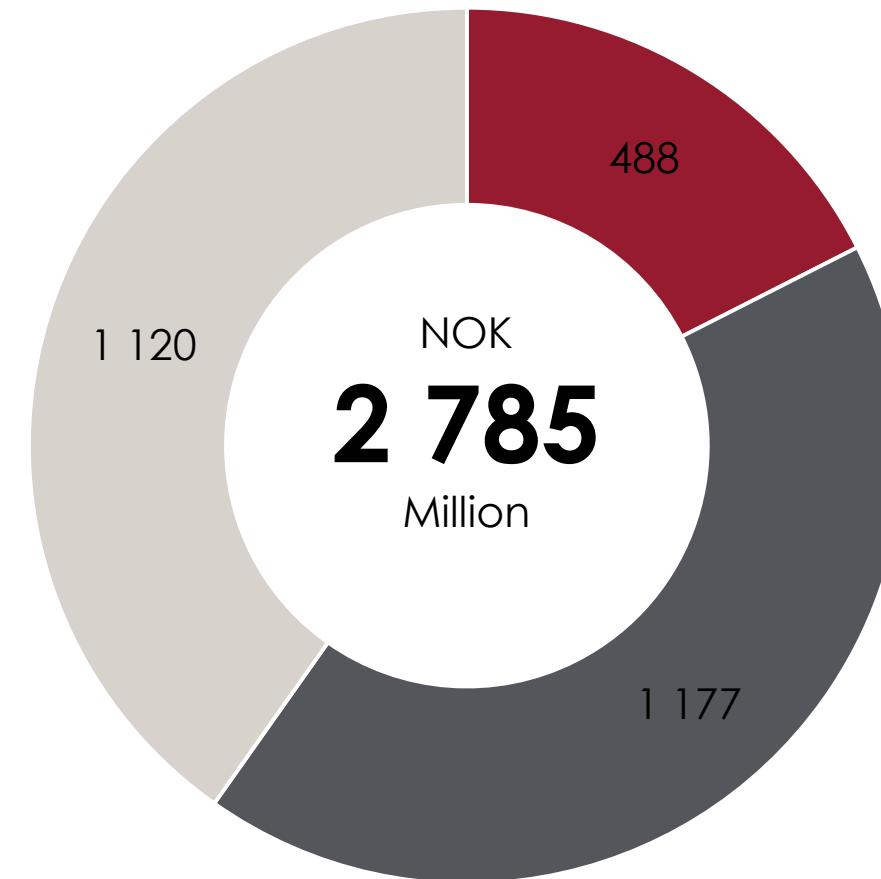
Inventory value development

NOKm



Sound debt structure

Interest bearing debt as at 31 Dec 2013



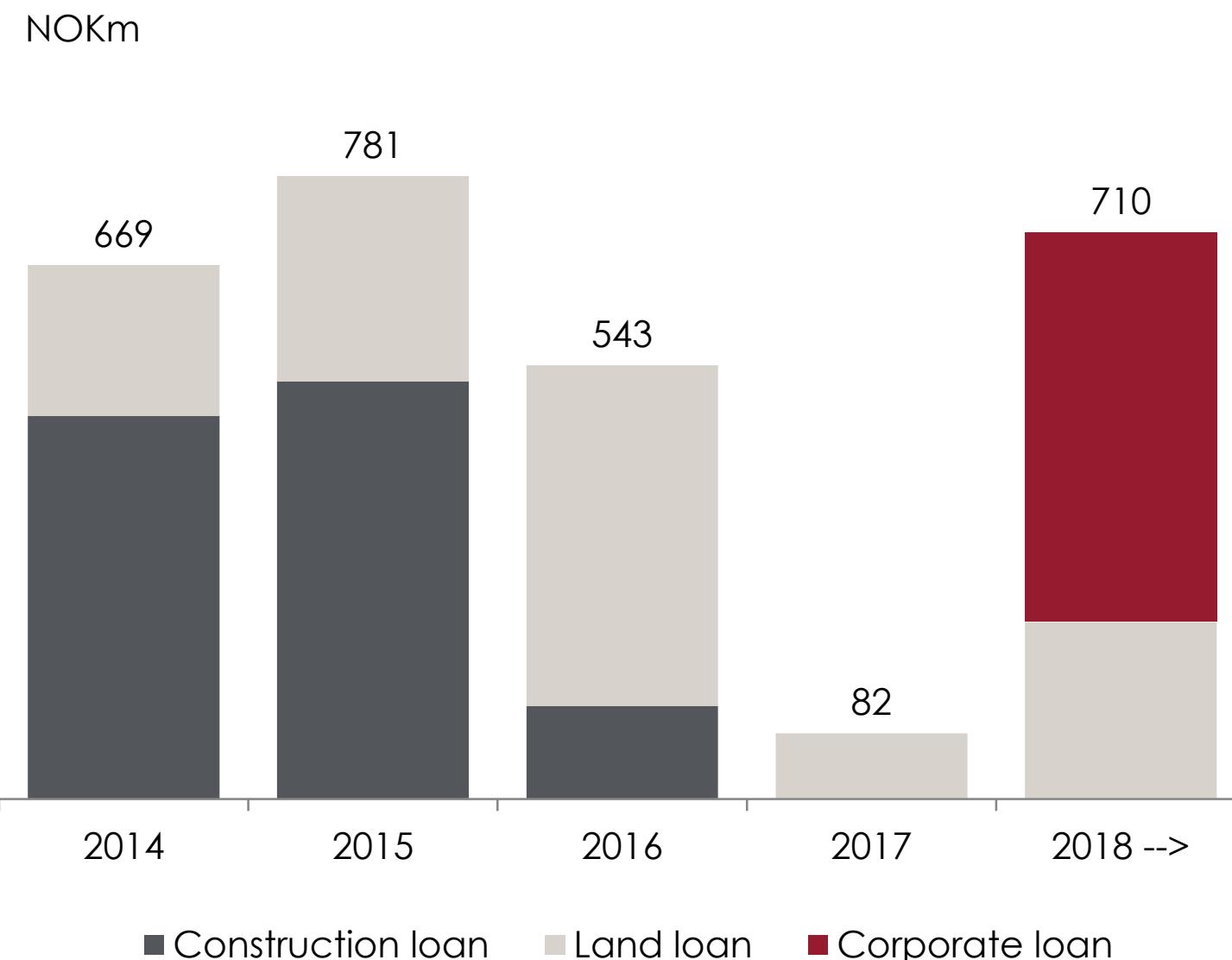
■ Top-up loan ■ Land Loan ■ Construction loan

Note: Bond loan of NOK 500m differs from the summed up top up loan in the table (NOK 488m). The difference is due to NOK -12m in amortized cost which is not actual debt.

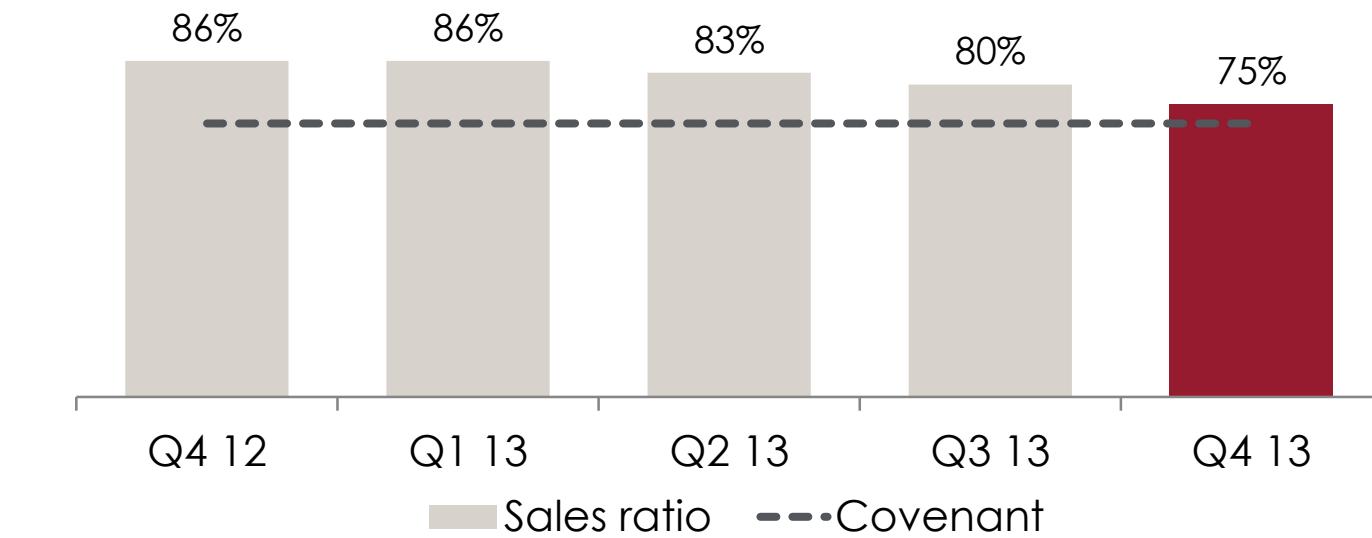
Loan facility	Drawn per 31 Dec (NOKm)	Interest rate margin
1 NOK 500 million senior unsecured bond loan	500	4.75%
2 NOK 150 million revolving credit facility from DNB maturing in 2015	0	2.50%
3 NOK 150 million working capital facility from DNB maturing in 2014	0	2.50%
4 NOK 500 million long term land loan from DNB	236	2.25%
5 Land loan facilities from a range of Nordic credit institutions	942	2.20% - 3.15%
6 Construction loan facilities from a range of Nordic credit institutions	1 120	2.20% - 3.00%

In compliance with financial covenants

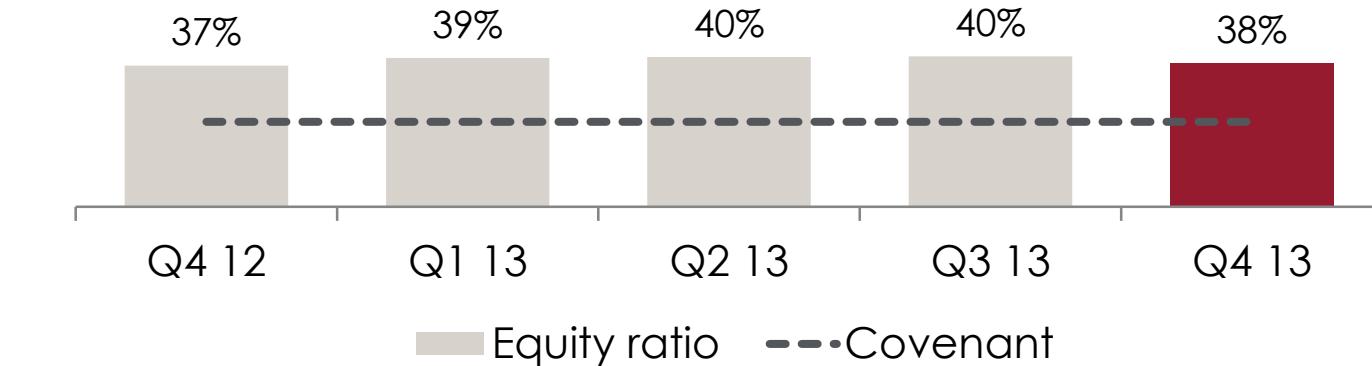
Debt maturity profile (31 Dec 2013)



Sales ratio covenant (minimum 70.0%)



Equity ratio covenant (minimum 22.5%)



Note: Selvaag Bolig has a NOK 150m working capital facility (NOK 0 m drawn) with maturity in 2018 or later will mature in 2014 if either of the parties cancels the facility. If the facility is not cancelled, it will be extended on an annual basis.

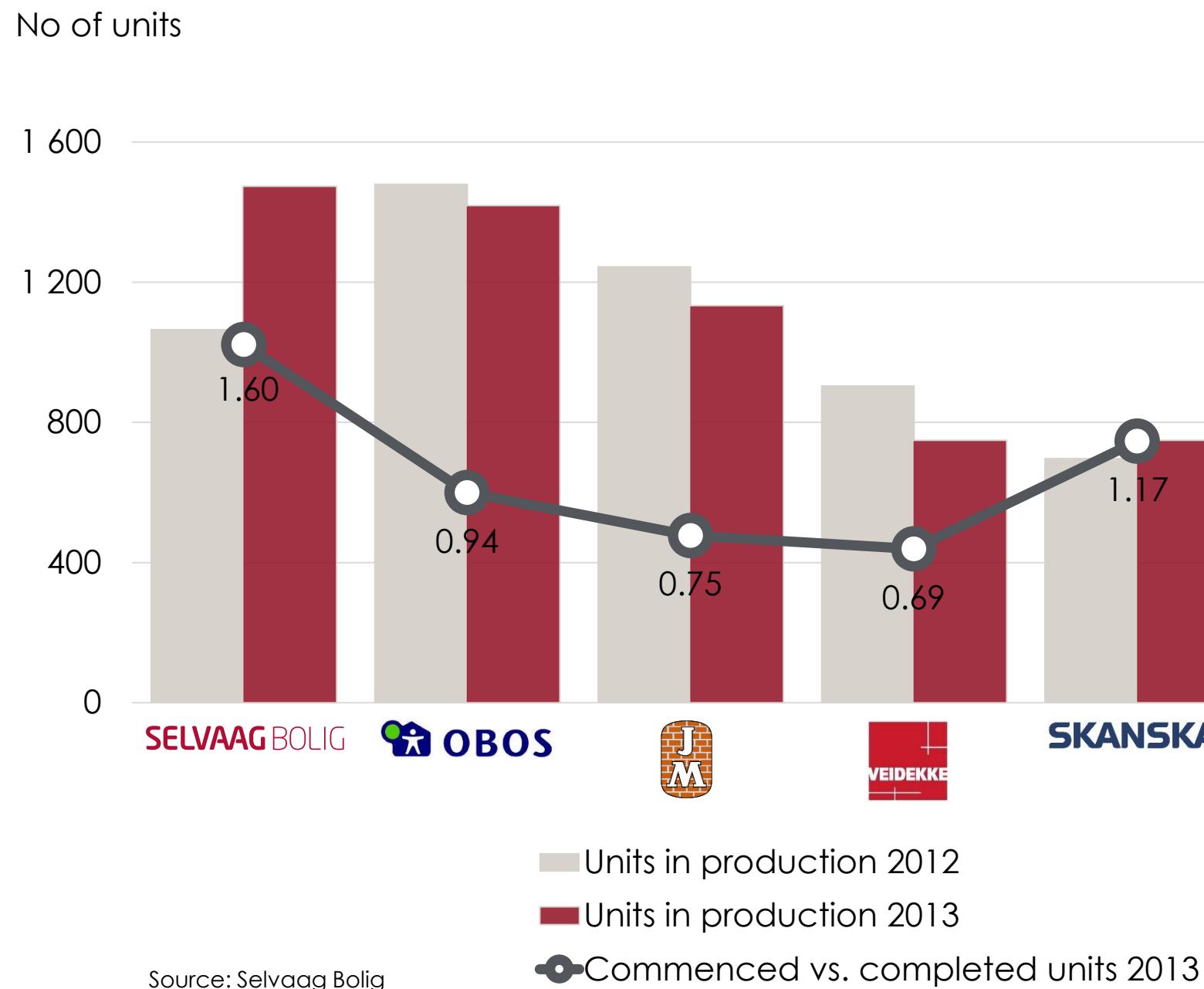
Agenda

- Highlights
- Operational update
- Financial update
- **Outlook and summary**



Rigged for strengthened market position

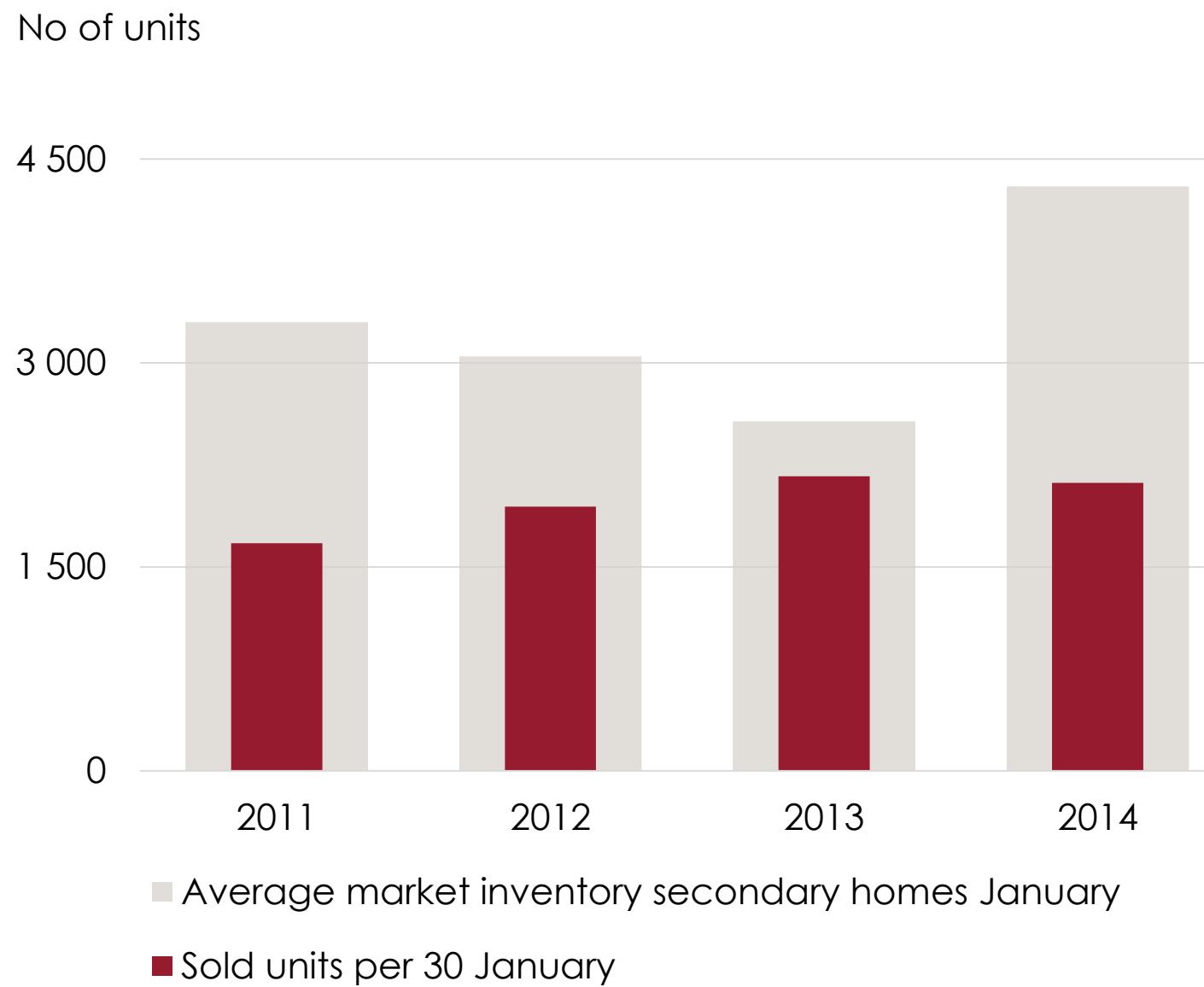
Construction activity



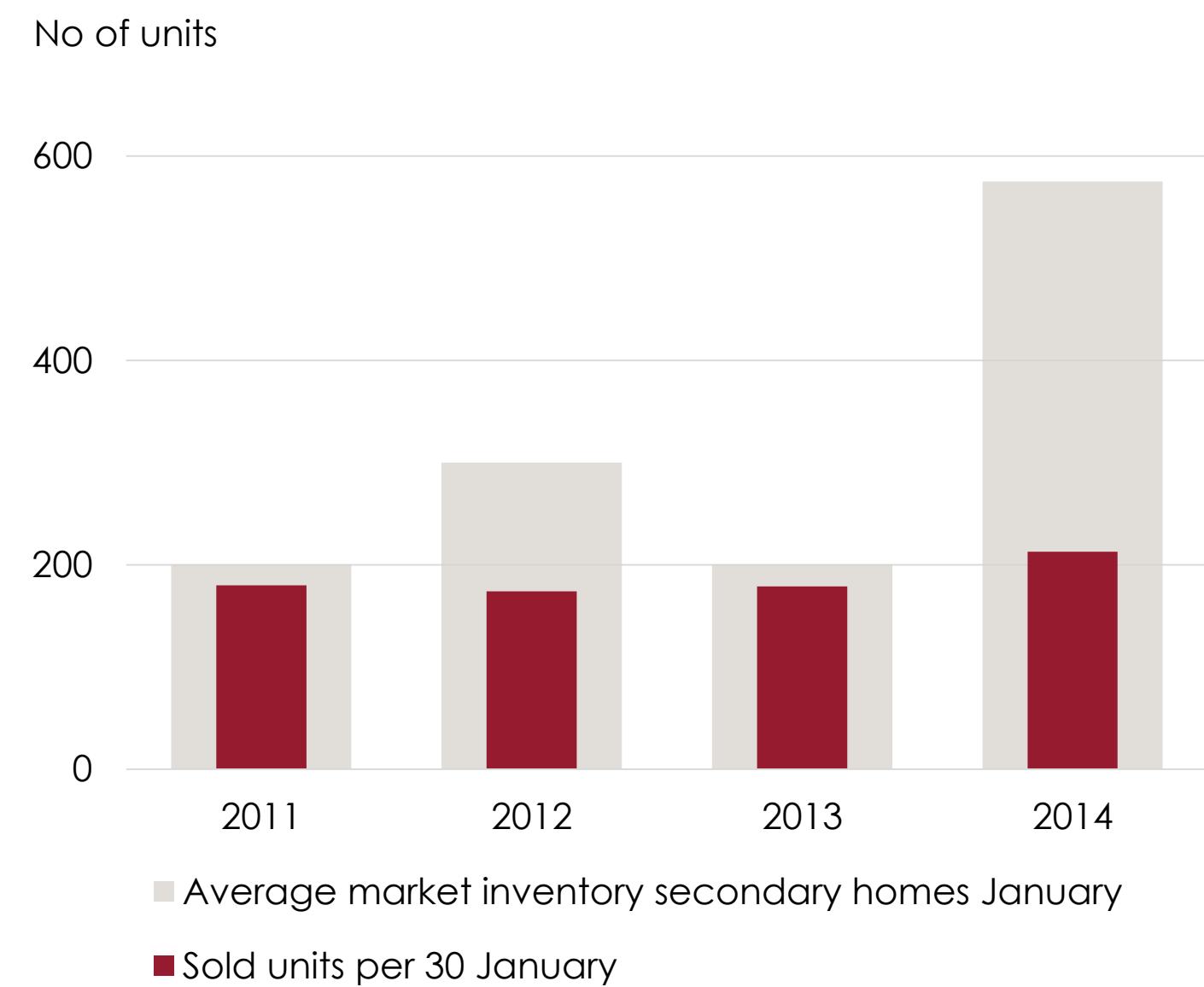
- Solid production level for all players in 2013
- Selvaag Bolig reached a record high number of units in production
- 1.6 commenced units per completed unit in 2013
- Positioned for further value creation and growth

Secondary market: strong sales, high inventory level

Oslo and Akershus January 2011-14



Stavanger January 2011-14



Source: Estimates based on figures from Eiendomsmeglerforetakenes Forening (EFF) and Eiendomsverdi

Focus on value creation

- Continued focus on:
 - Sales starts and project initiations
 - Cost control
 - Acquisition of land in core areas



Sjøsia, Tromsø

Summary

- Housing market affected by high inventory level in secondary market
- Selvaag Bolig positioned for growth
- Strategic land acquisitions
- Trondheim defined as new core area
- Large volumes under construction
- Solid financial position
- Proposed dividend of NOK 0.5 per share



Lørenpynten, Oslo

Thank you for your attention – follow us online!



@SelvaagAksjen
/SelvaagAksjen

Q1 2014: 22 May 2014



Appendix

Income statement IFRS

(figures in NOK million)	Q4 2013	Q4 2012	2013	2012
Total operating revenues	375.6	1 252.1	2 197.0	2 812.0
Project expenses	(316.1)	(967.7)	(1 709.6)	(2 141.3)
Other operating expenses	(57.7)	(68.3)	(208.8)	(212.7)
Other gains (loss)	(0.5)	(0.0)	(0.4)	0.1
Associated companies and joint ventures	0.4	13.2	10.9	53.4
EBITDA	1.6	229.2	289.1	511.5
Depreciation and amortisation	(5.3)	(7.0)	(22.1)	(21.9)
EBIT	(3.7)	222.2	267.0	489.6
Net financial expenses	(2.8)	(2.3)	(30.0)	(41.5)
Profit/(loss) before taxes	(6.6)	219.9	237.0	448.1
Income taxes	14.1	(55.6)	(50.2)	(101.8)
Net income	7.5	164.3	186.8	346.3

Net income for the period attributable to:

Minority interests	4.7	26.0	21.4	68.0
Shareholders in Selvaag Bolig ASA (majority interests)	2.8	138.3	165.3	278.4

Cash Flow statement

(figures in NOK million)	Q4 2013	Q4 2012	2013	2012
Net cash flow from operating activities	(152.9)	715.4	104.0	464.3
Net cash flow from investment activities	(2.6)	6.1	48.8	18.0
Net cash flow from financing activities	189.5	(589.2)	(123.7)	(319.5)
Net change in cash and cash equivalents	34.1	132.3	29.1	162.8
Cash and cash equivalents at start of period	552.9	425.7	558.0	395.2
Cash and cash equivalents at end of period	587.0	558.0	587.0	558.0

Balance sheet

(figures in NOK million)	2013	2012
Intangible assets	434.5	459.6
Property, plant and equipment	4.9	6.5
Investments in associated companies and joint ventures	150.7	158.4
Other non-current assets	166.6	152.4
Total non-current assets	756.7	776.8
Inventories (property)	4 283.9	3 910.7
- Land	1 753.4	1 961.0
- Work in progress	2 398.8	1 831.7
- Finished goods	131.6	118.0
Other current receivables	342.3	489.3
Cash and cash equivalents	587.0	558.0
Total current assets	5 213.2	4 958.0
TOTAL ASSETS	5 969.8	5 734.9
Equity attributed to shareholders in Selvaag Bolig ASA*	2 237.5	2 072.2
Non-controlling interests	22.7	74.4
Total equity	2 260.2	2 146.6
Non-current interest-bearing liabilities	2 116.2	1 461.5
Other non-current non interest-bearing liabilities	257.3	213.1
Total non-current liabilities	2 373.5	1 674.6
Current interest-bearing liabilities	669.0	1 368.8
Other current non interest-bearing liabilities	667.1	544.8
Total current liabilities	1 336.1	1 913.7
TOTAL EQUITY AND LIABILITIES	5 969.8	5 734.9

* Corresponding to a book value of NOK 23.9 per share

Operational highlights – key operating figures

(number of residential units, unless otherwise stated)	Q4 12	Q1 13	Q2 13	Q3 13	Q4 13
Residential units sold	221	243	200	236	61
Housing starts	383	168	284	335	296
Residential units completed	309	178	211	188	101
Residential units in production	1 067	1 058	1 131	1 279	1 474
% sold of residential units under construction	86%	86%	83%	80%	75 %
Unsold completed residential units	22	23	23	22	8
Sales value of projects under construction (NOKm)	3 572	3 747	4 163	4 657	5 421
Number of employees	99	100	101	97	98

IFRS EBITDA Q4 2013

(figures in NOK million)	Property development				Other	Total
	Greater Oslo	Rest of Norway	Other countries			
IFRS EBITDA third quarter per segment						
Operating revenues	258.2	111.0	0.4		3.9	373.5
Project expenses	(222.9)	(90.5)	-		(0.6)	(314.1)
Other operating expenses	(14.0)	(5.0)	(0.7)		(38.0)	(57.7)
Share of income (losses) from associated companies and joint ventures	0.4	0.3	(0.2)		-	0.4
Other gain (loss), net	-	-	-		(0.5)	(0.5)
EBITDA	21.7	15.6	(0.5)	(35.2)		1.6

Operational reporting fourth quarter

(figures in NOK million)	Property development				Other	Total
	Greater Oslo	Rest of Norway	Other countries			
Operating revenues	571.0	179.8	0.4	3.9	755.2	
Project expenses	(460.5)	(153.2)	-	(0.6)	(614.2)	
Other operating expenses	(14.0)	(5.0)	(0.7)	(38.0)	(57.7)	
EBITDA (percentage of completion)	96.6	21.6	(0.3)	(34.7)	83.2	

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

Land loan interests on the P&L

- Total land loans are NOK 1 177 million of which NOK 807 million are loans where interest cost are activated
- Land loan interests activated at regulation
- As at 31 December interests connected to land loans of NOK 370 million was charged on the P&L

Interest charged on the P&L as at 31.12.2013

