

**Q2**  
**2017**

# Second quarter results



**SELVAAG** BOLIG

Start Hjem Pluss

## Highlights of the second quarter 2017

- Operating revenues of NOK 1 135 million (NOK 1 104 million)
- Adjusted EBITDA\* of NOK 245 million (NOK 161 million) and ordinary EBITDA of NOK 225 million (NOK 127 million)
- 165 units sold (326)
- Construction started on 318 units (253)
- 210 units completed (295) and 222 delivered (307)
- A total of 1 586 units (1 344) under construction at 30 June, with 78 per cent (83 per cent) of these sold at a combined sales value of NOK 7 074 (NOK 5 075 million)
- 99 per cent of units to be completed in 2017 are sold, 87 per cent of 2018 completions are sold
- NOK 500 million bond loan redeemed one year before the due date
- Site at Lørenveien 64 in Oslo sold for NOK 265 million
- Three sites acquired in Oslo, Ås and Lørenskog will provide some 690 new units net (Selvaag Bolig's share)
- The board decided to pay a dividend of NOK 1.20 per share (NOK 0.65) for the first half

(Figures in brackets relate to the same period of the year before)

\* Adjusted EBITDA is less financial expenses included in project costs.

## Key figures

(figures in NOK 1 000)	Q2 2017	Q2 2016	1H 2017	1H 2016	2016
<b>IFRS main figures</b>					
Operating revenues	1 134 632	1 103 961	1 590 692	1 727 502	3 000 347
EBITDA	225 352	127 160	307 137	196 265	413 964
EBITDA adjusted*	244 737	160 961	338 376	251 841	514 368
Operating profit/(loss)	224 382	121 135	305 041	184 082	393 903
Profit/(loss) before taxes	201 427	113 449	272 848	169 464	364 582
Cash flow from operating activities	539 513	468 481	(39 676)	587 053	440 267
Net cash flow	(33 440)	272 757	(545 124)	208 219	213 909
Interest-bearing liabilities	2 269 845	2 334 821	2 269 845	2 334 821	2 573 341
Total assets	6 191 154	6 112 302	6 191 154	6 112 302	6 408 662
Equity	2 783 494	2 599 702	2 783 494	2 599 702	2 699 172
Equity ratio	45.0%	42.5%	45.0%	42.5%	42.1%
Earnings per share in NOK	1.58	0.90	2.39	1.35	3.21
<b>Segment reporting (NGAAP):</b>					
Operating revenues	966 603	808 334	1 784 118	1 623 409	3 511 223
EBITDA**	270 871	135 442	473 499	267 032	683 492
EBITDA margin	28.0%	16.8%	26.5%	16.4%	19.5%
<b>Key figures:</b>					
Number of units sold	165	326	355	606	1 044
Number of construction starts	318	253	504	483	902
Number of units delivered	222	307	307	486	869
Number of units completed	210	295	273	478	836

\* EBITDA adjusted is excluding financial expenses included in project costs, see note 6 for details.

\*\* EBITDA is operating profit before depreciation, gains (losses) and profit from associated companies.

## Financial review

### Summary of overall results

(figures in NOK 1 000)	Q2 2017	Q2 2016	1H 2017	1H 2016	2016
<b>Total operating revenues</b>	<b>1 134 632</b>	<b>1 103 961</b>	<b>1 590 692</b>	<b>1 727 502</b>	<b>3 000 347</b>
Project expenses	(840 459)	(918 899)	(1 152 489)	(1 419 990)	(2 379 746)
Other operating expenses, salaries and personnel cost, depreciation and	(60 019)	(61 182)	(119 168)	(119 365)	(251 273)
Associated companies and other gains (loss)	(9 772)	(2 745)	(13 994)	(4 065)	24 575
<b>Total operating expenses</b>	<b>(910 250)</b>	<b>(982 826)</b>	<b>(1 285 651)</b>	<b>(1 543 420)</b>	<b>(2 606 444)</b>
<b>Operating profit</b>	<b>224 382</b>	<b>121 135</b>	<b>305 041</b>	<b>184 082</b>	<b>393 903</b>
<b>Net financial expenses</b>	<b>(22 955)</b>	<b>(7 686)</b>	<b>(32 193)</b>	<b>(14 618)</b>	<b>(29 321)</b>
<b>Profit before taxes</b>	<b>201 427</b>	<b>113 449</b>	<b>272 848</b>	<b>169 464</b>	<b>364 582</b>
Income taxes	(55 149)	(29 321)	(50 350)	(43 526)	(63 694)
<b>Net income</b>	<b>146 278</b>	<b>84 128</b>	<b>222 498</b>	<b>125 938</b>	<b>300 888</b>

## Results for the second quarter of 2017

*(Figures in brackets relate to the corresponding period of 2016. The figures are unaudited.)*

Selvaag Bolig had operating revenues of NOK 1 134.6 million (NOK 1 104 million) in the second quarter. Revenues from units delivered accounted for NOK 860.4 million (NOK 1 087.7 million) of this total. Furthermore, the Lørenveien 64 site in Oslo was sold for NOK 265 million. Other revenues derived from non-core activities, mainly rental of commercial premises.

A total of 222 units (307) were delivered in the quarter, with 222 (306) from consolidated project companies.

Project costs for the quarter totalled NOK 840.5 million (NOK 918.9 million), of which NOK 19.4 million (NOK 33.8 million) represented previously capitalised financial expenses. Total project expenses primarily represented construction costs for units delivered as well as costs in projects which did not qualify for capitalisation as inventory.

Operating costs excluding project costs and the share of results from associated companies totalled NOK 60 million (NOK 61.2 million) for the period. Payroll costs accounted for NOK 28.7 million (NOK 23.6 million) of this figure. A further NOK 6 million (NOK 6.7 million) in payroll costs related to housing under construction was capitalised during the period and will be expensed as project costs on future delivery. Other operating costs came to NOK 30.3 million (NOK 31.5 million) for the quarter, including NOK 10.3 million (NOK 14.3 million) for sales and marketing.

The share of results from associates and joint ventures was negative at NOK 9.8 million (NOK 2.8 million). This increase primarily reflected a write-down of NOK 10 million on a part-owned company in western Norway.

EBITDA adjusted for financial expenses included in project costs came to NOK 244.7 million (NOK 161 million), corresponding to a margin of 21.6 per cent (14.6 per cent). Ordinary EBITDA was NOK 225.4 million (NOK 127.2 million), corresponding to a margin of 19.9 per cent (11.5 per cent).

Consolidated depreciation and amortisation totalled NOK 1 million (NOK 6.1 million). This decline primarily reflected full depreciation of intangible assets in 2016. Consolidated operating profit for the quarter thereby came to NOK 224.4 million (NOK 121.1 million).

Net financial expenses amounted to NOK 23 million (NOK 7.7 million). This increase primarily reflected one-off costs related to the redemption of the bond loan. Pre-tax profit for the quarter came to NOK 201.4 million (NOK 113.4 million).

Net tax expense was NOK 55.1 million (NOK 29.3 million) for the quarter. Consolidated net profit for the second quarter consequently came to NOK 146.3 million (NOK 84.1 million). NOK 146.3 million (NOK 84.5 million) of the profit was attributable to the shareholders of Selvaag Bolig ASA, and NOK 0 (negative at NOK 0.4 million) to non-controlling shareholders.



## Results for the first half of 2017

*(Figures in brackets relate to the corresponding period of 2016. The figures are unaudited.)*

Selvaag Bolig had operating revenues of NOK 1 590.7 million (NOK 1 727.5 million) in the first half. Revenues from units delivered accounted for NOK 1 161.8 million (NOK 1 696.1 million). Two sites were sold for a total of NOK 405 million during the period. Other revenues derived from non-core activities, mainly rental.

A total of 307 units (486) were delivered in the first half, with 306 (484) from consolidated project companies.

Project costs for the first half totalled NOK 1 152.5 million (NOK 1 420 million). These primarily represented construction costs for units delivered, as well as costs in other projects which do not qualify for capitalisation as inventory.

Operating costs excluding project costs and associated companies totalled NOK 119.2 million (NOK 119.4 million) for the period. Payroll costs accounted for NOK 57.4 million (NOK 49 million) of this figure. A further NOK 11.6 million (NOK 14 million) in payroll costs related to housing under construction was capitalised during the period and will be expensed as project costs on future delivery.

Other operating costs came to NOK 59.7 million (NOK 58.2 million), including NOK 21.7 million (NOK 23.7 million) for sales and marketing.

## Cash flow

Consolidated net cash flow from operational activities was NOK 539.5 million (NOK 468.5 million) for the second quarter. The increase from the same period of 2016 related primarily to the sale of the Lørenveien 64 site in Oslo.

Consolidated cash flow from operational activities was negative at NOK 39.7 million (positive at NOK 587.1 million) in the first half. The decline primarily reflected fewer units delivered, land purchases and prepayment of tax. See note 5 on inventories for more information.

Net cash flow from investing activities was negative at NOK 72.1 million (NOK 7.5 million) for the quarter. The change from the same period of 2016 primarily reflected increased investment in joint ventures and loans made to these.

Where the first half is concerned, net cash flow from investing activities was negative at NOK 98 million (NOK 10.5 million). The change from the same period of 2016 primarily reflected increased investment in joint ventures and loans made to these.

The share of results from associates and joint ventures was negative at NOK 14 million (NOK 4.1 million). This increase primarily reflected a write-down of NOK 10 million on a part-owned company in western Norway.

EBITDA adjusted for financial expenses included in project costs came to NOK 338.4 million (NOK 251.8 million), corresponding to a margin of 21.3 per cent (14.6 per cent). Ordinary EBITDA was NOK 307.1 million (NOK 196.3 million), corresponding to a margin of 19.3 per cent (11.4 per cent).

Consolidated operating profit for the first half came to NOK 305 million (NOK 184.1 million). Net financial expenses amounted to NOK 32.2 million (NOK 14.6 million).

Pre-tax profit for the first half came to NOK 272.8 million (NOK 169.5 million). Tax expense was NOK 50.4 million (NOK 43.5 million) for the period. Consolidated net profit for the first half consequently came to NOK 222.5 million (NOK 125.9 million). NOK 222.4 million (NOK 126.3 million) of the profit was attributable to the shareholders of Selvaag Bolig ASA, and NOK 0.1 million (negative at NOK 0.4 million) to non-controlling shareholders.

Net cash flow from financing activities was negative at NOK 500.8 million (NOK 188.2 million) for the quarter. The change from the same period of 2016 primarily reflected the redemption of the NOK 500 million bond loan. That was partly offset by increased drawdown of land and construction loans. Repurchase of the company's own shares in connection with the employee share programme and the sale of shares to employees represented a net cash outflow of NOK 28 million (receipts of NOK 4.5 million) during the quarter.

Net cash flow from financing activities was negative at NOK 407.5 million (NOK 368.4 million) for the first half. The reasons for the change from the same period of 2016 are the same as for the second quarter.

The group's holding of cash and cash equivalents at 30 June totalled NOK 341.1 million (NOK 880.5 million), down by NOK 33.4 million from 31 March.

**Cash flow summary**

(figures in NOK 1 000)	Q2 2017	Q2 2016	1H 2017	1H 2016	2016
Profit before taxes	201 427	113 449	272 848	169 464	364 582
<b>Net cash flow from operating activities</b>	<b>539 513</b>	<b>468 481</b>	<b>(39 676)</b>	<b>587 053</b>	<b>440 267</b>
<b>Net cash flow from investment activities</b>	<b>(72 130)</b>	<b>(7 518)</b>	<b>(97 971)</b>	<b>(10 474)</b>	<b>(14 818)</b>
<b>Net cash flow from financing activities</b>	<b>(500 823)</b>	<b>(188 206)</b>	<b>(407 477)</b>	<b>(368 360)</b>	<b>(211 540)</b>
Net change in cash and cash equivalents	(33 440)	272 757	(545 124)	208 219	213 909
<b>Cash and cash equivalents at start of period</b>	<b>374 509</b>	<b>607 746</b>	<b>886 193</b>	<b>672 284</b>	<b>672 284</b>
<b>Cash and cash equivalents at end of period</b>	<b>341 069</b>	<b>880 503</b>	<b>341 069</b>	<b>880 503</b>	<b>886 193</b>

**Financial position**

The carrying amount of Selvaag Bolig's total inventories (land, units under construction and completed units) at 30 June was NOK 4 618.5 million, compared with NOK 4 751.5 million at 31 March and NOK 4 286.6 million a year earlier. The decrease during the quarter primarily reflected units delivered and the sale of the Lørenveien 64 site, which were partially offset by land purchases and a high level of building activity. See note 5 for a further specification of inventories.

Equity was NOK 2 783.5 million (NOK 2 599.7 million) at 30 June, corresponding to an equity ratio of 45 per cent (42.5 per cent). Selvaag Bolig ASA paid NOK 87.9 million (NOK 75 million) in dividend during the quarter, based on results for the second half of 2016. Furthermore, the company spent NOK 28.4 million (NOK 2.9 million) during the quarter on purchasing its own shares in connection with the company's share programme for employees. Non-controlling interests amounted to NOK 9.4 million (NOK 9.2 million) of equity.

Other current non-interest-bearing liabilities for the group totalled NOK 759.2 million (NOK 607.1 million) at 30 June, of which NOK 493.5 million (NOK 322.5 million) represented advance payments from customers.

At 30 June, consolidated interest-bearing debt amounted to NOK 2 269.8 million (NOK 2 334.8 million), of which NOK 2 062.7 million (NOK 1 648.6 million) was non-current and NOK 207.1 million (NOK 686.2 million) was current. The decline in current debt reflected the decision by Selvaag Bolig ASA to exercise its call option to redeem the company's unsecured bond loan of NOK 500 million a year before it originally fell due. The redemption took place in June. See the stock exchange announcement issued on 4 April 2017 for more detailed information.

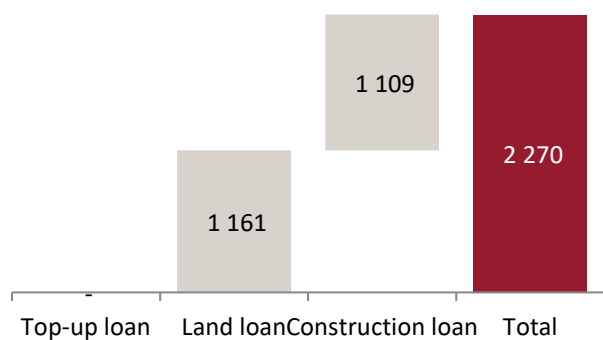
The group had land loans totalling NOK 1 161.3 million (NOK 927.2 million) at 30 June. These are normally converted to construction loans in line with the progress of the respective construction projects.

In connection with the redemption of the bond loan, Selvaag Bolig ASA entered into an agreement with DNB for a new credit facility of NOK 400 million. The group previously had two NOK 150 million credit facilities. Following the refinancing, one of these was cancelled while the other has been retained. No drawings had been made against any of the facilities at 30 June.

**Net interest-bearing debt**

(figures in NOK 1 000)	Q2 2017	Q1 2017	Q2 2016	2016
Non-current interest-bearing debt	2 062 739	1 795 703	1 648 581	2 038 660
Current interest-bearing debt	207 106	845 906	686 240	534 681
Cash and cash equivalents	-341 069	-374 509	-880 503	-886 193
<b>Net interest-bearing debt</b>	<b>1 928 776</b>	<b>2 267 100</b>	<b>1 454 318</b>	<b>1 687 148</b>

The group's interest-bearing debt falls primarily into three categories: 1) top-up loans, which are liabilities in parent company Selvaag Bolig ASA, 2) land loans and 3) construction loans. At 30 June, the group had no top-up loans, land loans of NOK 1 161 million and construction loans of NOK 1 109 million.

**Interest-bearing debt at 30 June 2017 (NOK mill)**

Interest costs on land loans are normally recognised in profit and loss until the site secures planning permission. They are capitalised against the site from the day the project secures planning permission, and recognised in profit and loss as part of the cost of sales when the units are delivered. Interest charges on construction loans are capitalised during the construction period and recognised under cost of sales in the same way.

At 30 June, interest on NOK 505 million in land loans had been capitalised, while interest charges relating to NOK 656 million in land loans spread over six projects were recognised in profit and loss.

## Operational reporting

Each project is followed up individually in daily operations, and operational reporting accordingly comprises one main segment - housing development. Reporting also comprises the “other business” segment. The latter primarily includes service deliveries in completed Pluss projects as well as group administration not allocated to the other segments. Operational reporting utilises the percentage of completion method for recognising revenues and profit, which differs from the IFRS where profit is recognised on delivery. Note 4 to the financial statements presents segment information reconciled with the financial reporting figures (IFRS).

### Segments second quarter 2017

(figures in NOK 1 000)	Operating revenues		EBITDA		Operating profit/loss	
	Q2 17	Q2 16	Q2 17	Q2 16	Q2 17	Q2 16
Property development	958 071	800 574	311 891	167 362	318 113	141 240
Other	8 532	7 760	(41 020)	(31 920)	(41 952)	(32 982)
IFRS adjustments	168 029	295 627	(45 519)	(8 282)	(51 779)	12 877
<b>Total group</b>	<b>1 134 632</b>	<b>1 103 961</b>	<b>225 352</b>	<b>127 160</b>	<b>224 382</b>	<b>121 135</b>

### Segments first half 2017

(figures in NOK 1 000)	Operating revenues		EBITDA		Operating profit/loss	
	6M 17	6M 16	6M 17	6M 16	6M 17	6M 16
Property development	1 767 754	1 609 625	552 001	331 637	578 872	280 659
Other	16 364	13 784	(78 502)	(64 605)	(80 551)	(66 696)
IFRS adjustments	(193 426)	104 093	(166 362)	(70 767)	(193 280)	(29 881)
<b>Total group</b>	<b>1 590 692</b>	<b>1 727 502</b>	<b>307 137</b>	<b>196 265</b>	<b>305 041</b>	<b>184 082</b>

## Housing Development

This segment comprises all Selvaag Bolig's projects regardless of geographical location, since each project is followed up individually.

Operating revenues for the second quarter were NOK 958.1 million (NOK 800.6 million). They derived from 22 projects currently in production and the sale of the Lørenveien 64 site in Oslo for NOK 265 million.

Operating costs, primarily for construction and sales, are directly related to the projects and amounted to NOK 646.2 million (NOK 633.2 million) for the second quarter.

Construction costs in the segment reporting are exclusive of directly-related financial expenses (interest on construction loans). This differs from the IFRS accounts, where financial expenses are included in project costs on delivery.

EBITDA presents operating profit (loss) before depreciation, gain (loss), and share of profit (loss) from associates. It came to NOK 311.9 million (NOK 167.4 million) for the quarter, corresponding to a profit margin of no less than 32.6 per cent (20.9 per cent). The high margin is attributable to good margins in the projects, reinforced by the sale of the Lørenveien 64 site.

## Other business - unallocated

The other business segment comprises a number of activities in the group which are not regarded as part of the core business on a stand-alone basis. It also includes administration and management which cannot be attributed directly to the projects and are accordingly not allocated to the housing development segment.

Operating revenues for the segment in the second quarter came to NOK 8.5 million (NOK 7.8 million), while operating costs amounted to NOK 49.5 million (NOK 39.7 million). Costs relate largely to pay for the administration and management, as well as to central marketing. EBITDA was thereby negative at NOK 41 million (NOK 31.9 million).

## Review of operations

### Operations

A total of 187 units with a combined value of NOK 710 million were sold during the quarter. Selvaag Bolig's share amounted to 165 units sold with a combined value of NOK 633 million.

To manifest value creation in the group, segment reporting shows revenue and costs in the various projects using the percentage of completion method as its accounting principle.

Activity in the group was at a high level, and construction started on 318 units during the second quarter.

### Projects

The company has projects in Oslo, Bærum, Asker, Lørenskog, Moss, Oppegård, Ski, Skedsmo, Stavanger, Sandnes, Sola, Tønsberg, Trondheim, Bergen and Stockholm. However, no projects were under construction in Stockholm, Asker,

Oppegård, Ski, Skedsmo, Stavanger or Sandnes during the second quarter. The proportion of sold units under construction decreased to 78 per cent mainly due to an increase in the number of construction starts.

#### Quarterly development in the project portfolio

	Q2 16	Q3 16	Q4 16	Q1 17	Q2 17
Number of units sold	326	277	161	190	165
Number of construction starts	253	223	196	186	318
Number of units completed	295	103	255	63	210
Number of units delivered	307	129	254	85	222
Number of units under construction	1 344	1 464	1 356	1 479	1 586
Proportion of sold units under construction	83 %	90 %	85 %	86 %	78 %
Number of completed unsold units	54	48	43	32	24
Sales value of units under construction (NOK million)	5 075	5 775	5 709	6 340	7 074

### Purchase and sale of land

Selvaag Bolig has entered into an agreement on purchasing the Tiedemannsfabrikken Felt G site at Ensjø in a 50-50 joint venture with Ferd. Furthermore, agreements have been

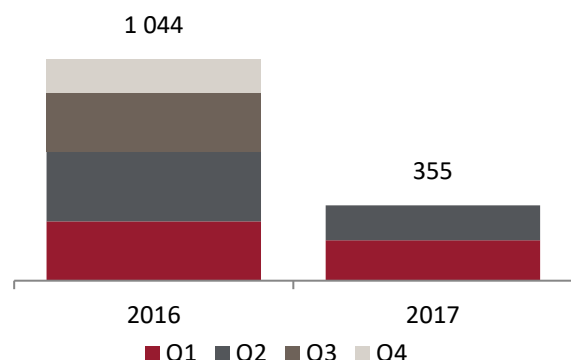
entered into to purchase the Solberg Øst site in Ås and a site connected to Lørenskog Stasjonsby. Lørenveien 64 was delivered to the City of Oslo during the quarter.

### Market trends

Selvaag Bolig sold 165 residential units (326) during the second quarter. These sales comprise Selvaag Bolig's consolidated project companies as well as its relative share of homes sold in part-owned projects.

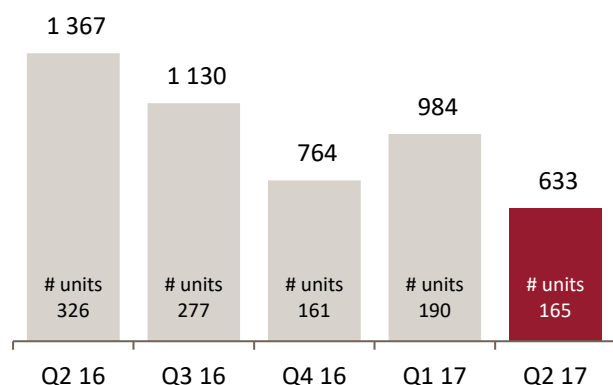


## Units sold



Total sales during the second quarter, including Selvaag Bolig's relative share of joint ventures, amounted to 165 units with a combined sales value of NOK 633 million. Sales in the corresponding period of 2016 totalled 326 units with a combined value of NOK 1 367 million.

## Value of units sold (NOK mill)



Selvaag Bolig started sales during the quarter in nine projects comprising a total of 371 residential units (185).

## Sales starts in the quarter

Project	# of units	Category	Region
Heimdalen	32	Flat	Trondheim
Jaasund	10	Terraced	Rogaland
Lervig Brygge	57	Flat	Rogaland
Lervig Brygge	4	Terraced	Rogaland
Kaldnes	5	Flat	Greater Oslo
Lørenporten	71	Flat	Greater Oslo
Moss	33	Flat	Greater Oslo
Nybyen Økern	69	Flat	Greater Oslo
Tiedemannsfabrikken	91	Flat	Greater Oslo
<b>Total</b>	<b>371</b>		

Construction began on 318 (253) units during the quarter. Construction starts can vary substantially from quarter to

quarter, since construction normally only begins when 60 per cent of the value in a project has been sold.

## Construction starts (no of units)

Project	# units	Category	Region
Jaasund	8	Flat	Rogaland
Bjørnåsen Syd II	20	Terraced	Greater Oslo
Hovinenga	127	Flat	Greater Oslo
Kaldnes	17	Flat	Greater Oslo
Lørenporten	44	Flat	Greater Oslo
Lørenskog Stasjonsby	40	Flat	Greater Oslo
Tiedemannsfabrikken	62	Flat	Greater Oslo
<b>Totalt</b>	<b>318</b>		

At 30 June, Selvaag Bolig had 1 586 (1 344) units under construction. They included 1 466 units in Greater Oslo and 120 in the rest of Norway.

The order backlog at 30 June - in other words, the sales value of the 1 586 (1 344) units then under construction - was NOK 7 074 million (NOK 5 075 million).

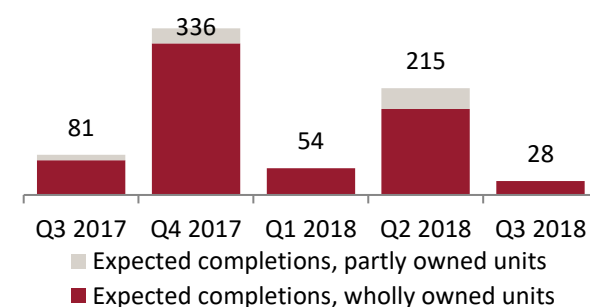
A total of 210 (295) units were completed in the second quarter, and 222 (307) - including ones completed earlier - were delivered. The completed units were divided between four projects - Løren Stasjon, Lørenskog Stasjonsby, Nybyen Økern and Frøyatun. A total of 24 (54) completed units were unsold at 30 June. Consolidated project companies accounted for 222 (306) of the units delivered, while none (one) were in a part-owned project company.

## Units completed by project

Project	# units	Category	Region
Løren Stasjon	54	Flat	Stor-Oslo
Lørenskog Stasjonsby	56	Terraced	Stor-Oslo
Nybyen Økern	78	Flat	Stor-Oslo
Frøyatun	22	Terraced	Stor-Oslo
<b>Total</b>	<b>210</b>		

Based on expected progress for the projects, 81 units are forecast to be completed in the third quarter of 2017. Estimated completions for the full year amount to 690 units.

## Expected number of completions



## Share information

The company had 93.77 million issued shares at 30 June, divided between 2 012 shareholders.

The 20 largest shareholders controlled 81.8 per cent of the total number of issued shares. The largest shareholder was Selvaag Gruppen, with a 53.5 per cent holding.

During the quarter, the Selvaag Bolig share varied in price from NOK 31.40 to NOK 37.90. The closing price at 30 June was NOK 32.20, compared with NOK 36.70 at 31 March. The share price accordingly declined by 14 per cent over the quarter. A total of 7.3 million shares, or 7.8 per cent of the total outstanding, were traded during the period. Share turnover totalled NOK 249.6 million during the quarter, corresponding to an average daily figure of roughly NOK 4.3 million.

### 20 largest shareholders at 30 June 2017

Shareholder	# of shares	% share
Selvaag Gruppen AS	50 180 087	53.5%
Skandinaviska Enskilda Banken AB *)	5 278 334	5.6%
Morgan Stanley & Co. Int. Plc. *)	2 766 231	3.0%
Selvaag Bolig ASA **)	2 150 794	2.3%
Pareto AS	2 065 624	2.2%
Verdipapirfondet Pareto Investment	1 696 000	1.8%
Holberg Norge	1 594 764	1.7%
Holberg Norden	1 500 000	1.6%
Flps - All sector sub	1 236 200	1.3%
Holta Invest AS	1 200 000	1.3%
Regents of the University of Michi	1 045 000	1.1%
Seb prime solutions Sissener Canop	1 000 000	1.1%
JPMorgan Chase Bank, n.a., London *)	858 932	0.9%
Verdipapirfondet Alfred Berg Gamba	811 201	0.9%
Mp Pensjon PK	612 872	0.7%
Storebrand Norge I Verdipapirfond	596 778	0.6%
Banan II AS	555 190	0.6%
State Street Bank and Trust Comp *)	538 270	0.6%
JPMorgan Chase Bank, n.a., London *)	524 073	0.6%
Baard Schumann	480 937	0.5%
<b>Total 20 largest shareholders</b>	<b>76 691 287</b>	<b>81.8%</b>
Other shareholders	17 074 401	18.2%
<b>Total number of shares</b>	<b>93 765 688</b>	<b>100.0%</b>

\*) Further information regarding nominee accounts is presented at:  
<http://sboasa.no/en/Aksjeinformasjon/Aksjonarer.aspx>

\*\*) The shares were purchased for the company's share programmes for employees

## Risk and uncertainty factors

As a housing developer, Selvaag Bolig is exposed to risks which could affect the group's business and financial position. Risk factors relate to land development, sales, and the execution of housing projects, and can be divided into market, operational and financial categories. The group gives priority to work on managing and dealing with risk, and has established routines and control systems to limit and control risk exposure.

Macro-economic conditions, particularly unemployment and interest rates as well as demographic changes, are factors which affect the group's progress. See the company's annual report, available on its website, for a more detailed explanation of the risk and uncertainty factors it faces.

## Transactions with related parties

Selvaag Bolig had no significant transactions with related parties during the quarter. See note 23 to the group's annual

reports for detailed information on transactions with related parties in earlier years.

## Housing market

House prices fell during the second quarter. According to Statistics Norway (SSB), seasonally adjusted Norwegian house prices at 30 June were on average 0.4 per cent lower than at 31 March and up by 6.9 per cent from 30 June 2016.

With the exception of the Oslo area, price developments were positive in all Selvaag Bolig's core areas during the quarter. Overall prices fell by 1.4 per cent in Oslo including Bærum, and were 13 per cent higher than at 30 June 2016.

In Akershus county excluding Bærum, prices fell up by 0.2 per cent from the previous quarter and had risen 12.4 per cent since 30 June 2016. Prices in Stavanger rose by 1.3 per cent over the quarter and by 6.9 per cent from 30 June 2016. They increased by 0.5 per cent in Bergen for the quarter and by four per cent over the year, and rose by 0.1 per cent in Trondheim for the quarter and 6.2 per cent from 30 June 2016.

The government adopted new residential mortgage regulations with effect from 1 January 2017. These raised the loan cap on mortgages for second homes in Oslo to 60 per cent of the house value. The existing requirement for a 85 per cent loan cap on such homes has been maintained for the rest of the country. The government also introduced a new prohibition on a mortgagee's total loans exceeding five times their gross income. Terms for interest-free instalments have also been tightened somewhat. The banks still have flexibility in granting mortgages, but this is applied differently by the various lenders. The regulations have helped to moderate price growth and increase the availability of second-hand homes, particularly in Oslo.

## Outlook

According to SSB, urbanisation and high population growth are creating a big demand for new homes in Selvaag Bolig's core areas in and around Greater Oslo, Stavanger, Bergen and Trondheim. The company is well positioned with big projects centrally located in all these areas. However, the inventory of second-hand homes increased during the first

half, particularly in Oslo. This has improved the balance between supply and demand. The Stavanger market continues to show signs of improvement. Macro-economic conditions in Norway are good, and hold out the promise of a normal and good market for Selvaag Bolig in forthcoming quarters.

## Interim financial statements (IFRS)

## Statement of comprehensive income

(figures in NOK 1 000, except earnings per share)	Q2 2017	Q2 2016	1H 2017	1H 2016	2016
Revenues	1 125 441	1 087 733	1 566 817	1 696 098	2 923 966
Other revenues	9 191	16 228	23 875	31 404	76 381
<b>Total operating revenues</b>	<b>1 134 632</b>	<b>1 103 961</b>	<b>1 590 692</b>	<b>1 727 502</b>	<b>3 000 347</b>
Project expenses	(840 459)	(918 899)	(1 152 489)	(1 419 990)	(2 379 746)
Salaries and personnel costs	(28 739)	(23 648)	(57 412)	(49 000)	(109 361)
Depreciation and amortisation	(970)	(6 025)	(2 096)	(12 183)	(20 061)
Other operating expenses	(30 310)	(31 509)	(59 660)	(58 182)	(121 851)
Other gains (losses), net	-	-	-	-	31 679
Associated companies and joint ventures	(9 772)	(2 745)	(13 994)	(4 065)	(7 104)
<b>Total operating expenses</b>	<b>(910 250)</b>	<b>(982 826)</b>	<b>(1 285 651)</b>	<b>(1 543 420)</b>	<b>(2 606 444)</b>
<b>Operating profit</b>	<b>224 382</b>	<b>121 135</b>	<b>305 041</b>	<b>184 082</b>	<b>393 903</b>
Financial income	2 109	1 850	4 928	3 945	8 264
Financial expenses	(25 064)	(9 536)	(37 121)	(18 563)	(37 585)
<b>Net financial expenses</b>	<b>(22 955)</b>	<b>(7 686)</b>	<b>(32 193)</b>	<b>(14 618)</b>	<b>(29 321)</b>
<b>Profit/(loss) before taxes</b>	<b>201 427</b>	<b>113 449</b>	<b>272 848</b>	<b>169 464</b>	<b>364 582</b>
Income taxes	(55 149)	(29 321)	(50 350)	(43 526)	(63 694)
<b>Net income</b>	<b>146 278</b>	<b>84 128</b>	<b>222 498</b>	<b>125 938</b>	<b>300 888</b>
<b>Other comprehensive income/expenses</b>					
Translation differences	2 881	(667)	3 091	(1 854)	(3 095)
<b>Total comprehensive income/(loss) for the</b>	<b>149 159</b>	<b>83 461</b>	<b>225 589</b>	<b>124 084</b>	<b>297 793</b>
<b>Net income for the period attributable to:</b>					
Non-controlling interests	(42)	(440)	122	(397)	(267)
Shareholders in Selvaag Bolig ASA	146 320	84 568	222 376	126 335	301 155
<b>Total comprehensive income/(loss) for the period attributable to:</b>					
Non-controlling interests	(42)	(440)	122	(397)	(267)
Shareholders in Selvaag Bolig ASA	149 201	83 901	225 467	124 481	298 060
<b>Earnings per share for net income/(loss) attributed to shareholders in Selvaag Bolig</b>					
Earnings per share (basic and diluted) in NOK	1.58	0.90	2.39	1.35	3.21

The consolidated financial information has not been audited

## Statements of financial position

(figures in NOK 1 000)	Note	Q2 2017	Q1 2017	Q2 2016	2016
<b>ASSETS</b>					
<b>Non-current assets</b>					
Goodwill		383 376	383 376	383 376	383 376
Other intangible assets		-	-	4 599	-
Property, plant and equipment		9 396	9 920	17 364	10 867
Investments in associated companies and joint ventures		280 913	285 616	180 146	289 818
Loans to associated companies and joint ventures		147 104	91 378	18 234	63 757
Other non-current assets		207 753	197 393	108 518	197 318
<b>Total non-current assets</b>		<b>1 028 542</b>	<b>967 683</b>	<b>712 237</b>	<b>945 136</b>
<b>Current assets</b>					
Inventories (property)	5	4 618 462	4 751 520	4 286 649	4 284 011
Trade receivables		109 375	141 636	185 062	103 420
Other current receivables		93 706	161 348	47 851	189 902
Cash and cash equivalents		341 069	374 509	880 503	886 193
<b>Total current assets</b>		<b>5 162 612</b>	<b>5 429 013</b>	<b>5 400 065</b>	<b>5 463 526</b>
<b>TOTAL ASSETS</b>		<b>6 191 154</b>	<b>6 396 696</b>	<b>6 112 302</b>	<b>6 408 662</b>
<b>EQUITY AND LIABILITIES</b>					
Equity attributed to shareholders in Selvaag Bolig ASA		2 774 057	2 741 141	2 590 517	2 689 857
Non-controlling interests		9 437	9 479	9 185	9 315
<b>Total equity</b>		<b>2 783 494</b>	<b>2 750 620</b>	<b>2 599 702</b>	<b>2 699 172</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Pension liabilities		593	594	913	594
Deferred tax liabilities		84 284	84 490	158 331	84 486
Provisions		75 073	75 073	92 578	75 073
Other non-current non interest-bearing liabilities		7 631	7 055	8 397	6 938
Non-current interest-bearing liabilities		2 062 739	1 795 703	1 648 581	2 038 660
<b>Total non-current liabilities</b>		<b>2 230 320</b>	<b>1 962 915</b>	<b>1 908 800</b>	<b>2 205 751</b>
<b>Current liabilities</b>					
Current interest-bearing liabilities		207 106	845 906	686 240	534 681
Trade payables		134 695	69 062	128 314	219 562
Current tax payables		76 378	21 068	182 127	83 343
Other current non interest-bearing liabilities		759 161	747 125	607 119	666 153
<b>Total current liabilities</b>		<b>1 177 340</b>	<b>1 683 161</b>	<b>1 603 800</b>	<b>1 503 739</b>
<b>Total liabilities</b>		<b>3 407 660</b>	<b>3 646 076</b>	<b>3 512 600</b>	<b>3 709 490</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6 191 154</b>	<b>6 396 696</b>	<b>6 112 302</b>	<b>6 408 662</b>

*The consolidated financial information has not been audited*



## Statement of changes in equity

	Share capital	Share premium account	Other paid-in capital	Cumulative translation differences	Other reserves	Retained earnings	Equity attributed to shareholders in Selvaag Bolig ASA	Non-controlling interests	Total equity
<b>EQUITY AS OF 1 JANUARY 2017</b>	<b>186 298</b>	<b>1 394 857</b>	<b>700 629</b>	<b>842</b>	<b>3 528</b>	<b>403 702</b>	<b>2 689 857</b>	<b>9 315 *)</b>	<b>2 699 172</b>
Transactions with owners:									
Dividend	-	-	-	-	-	(87 882)	(87 882)	-	(87 882)
Share buy back	(4 240)	-	-	-	-	(72 652)	(76 892)	-	(76 892)
Employee share program	1 172	-	-	-	-	22 335	23 507	-	23 507
<i>Total comprehensive income/(loss) for the period:</i>									
Net income/(loss) for the period	-	-	-	-	-	222 376	222 376	122	222 498
Other comprehensive income/(loss) for the period	-	-	-	3 091	-	-	3 091	-	3 091
<b>EQUITY AS OF 30 JUNE 2017</b>	<b>183 230</b>	<b>1 394 857</b>	<b>700 629</b>	<b>3 933</b>	<b>3 528</b>	<b>487 879</b>	<b>2 774 058</b>	<b>9 437 *)</b>	<b>2 783 494</b>

<b>EQUITY AS OF 1 JANUARY 2016</b>	<b>186 799</b>	<b>1 394 857</b>	<b>700 629</b>	<b>3 937</b>	<b>3 528</b>	<b>249 859</b>	<b>2 539 609</b>	<b>9 582 *)</b>	<b>2 549 192</b>
Transactions with owners:									
Dividend	-	-	-	-	-	(75 013)	(75 013)	-	(75 013)
Share buy back	(653)	-	-	-	-	(8 097)	(8 750)	-	(8 750)
Employee share program	832	-	-	-	-	9 357	10 189	-	10 189
<i>Total comprehensive income/(loss) for the period:</i>									
Net income/(loss) for the period	-	-	-	-	-	126 335	126 335	(397)	125 938
Other comprehensive income/(loss) for the period	-	-	-	(1 854)	-	-	(1 854)	-	(1 854)
<b>EQUITY AS OF 30 JUNE 2016</b>	<b>186 978</b>	<b>1 394 857</b>	<b>700 629</b>	<b>2 083</b>	<b>3 528</b>	<b>302 441</b>	<b>2 590 517</b>	<b>9 185 *)</b>	<b>2 599 702</b>
Transactions with owners:									
Dividend	-	-	-	-	-	(60 948)	(60 948)	-	(60 948)
Share buy back	(766)	-	-	-	-	(14 318)	(15 084)	-	(15 084)
Employee share program	86	-	-	-	-	1 707	1 793	-	1 793
	-	-	-	-	-	-	-	-	-
<i>Total comprehensive income/(loss) for the period:</i>									
Net income/(loss) for the period	-	-	-	-	-	174 820	174 820	130	174 950
Other comprehensive income/(loss) for the period	-	-	-	(1 241)	-	-	(1 241)	-	(1 241)
<b>EQUITY AS OF 31 DECEMBER 2016</b>	<b>186 298</b>	<b>1 394 857</b>	<b>700 629</b>	<b>842</b>	<b>3 528</b>	<b>403 702</b>	<b>2 689 857</b>	<b>9 315</b>	<b>2 699 172</b>

The consolidated financial information has not been audited

\*) Non-controlling interests includes tax from profits in companies subject to partnership taxation. Income taxes in the Group does not include taxes from tax subjects outside the Selvaag Bolig Group.

## Statement of cash flow

(figures in NOK 1 000)

	Q2 2017	Q2 2016	1H 2017	1H 2016	2016
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>					
Profit/(loss) before taxes	201 427	113 449	272 848	169 464	364 582
Income taxes paid	-	(1 371)	(57 472)	(1 371)	(138 722)
Depreciation and amortisation	970	6 025	2 096	12 183	20 061
Other gains (losses), net	-	-	-	-	(31 679)
Share of profits/(losses) from associated companies and joint ventures	9 772	2 745	13 994	4 065	7 104
Changes in inventories (property)	143 271	359 319	(385 440)	436 338	142 352
Changes in trade receivables	32 261	(91 027)	(5 886)	(74 774)	(2 373)
Changes in trade payables	65 633	68 321	(84 867)	28 194	121 626
Changes in other operating working capital assets	67 957	(10 028)	106 162	(13 157)	(67 062)
Changes in other operating working capital liabilities	18 222	21 048	98 890	26 111	24 377
<b>Net cash flow from operating activities</b>	<b>539 513</b>	<b>468 481</b>	<b>(39 676)</b>	<b>587 053</b>	<b>440 267</b>
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>					
Proceeds from sale of property, plant and equipment and intangible assets	-	-	-	-	3 580
Purchases of PPE and intangible assets	(428)	-	(604)	(324)	(408)
Proceeds from disposal of businesses and subsidiaries, net of cash disposed	-	-	-	-	8 344
Purchases of businesses and subsidiaries, net of cash acquired	-	-	-	-	-
Proceeds from sale of associated companies	-	-	-	-	-
Purchases of associated companies and joint ventures	(5 069)	(2 518)	(5 089)	(2 518)	(12 835)
Proceeds from sale of other investments and repayment of loans	-	-	18 597	-	13 205
Purchases of other investments and loans	(66 633)	(5 000)	(110 875)	(13 882)	(32 954)
Dividends and disbursements from associated companies and joint ventures	-	-	-	6 250	6 250
<b>Net cash flow from investment activities</b>	<b>(72 130)</b>	<b>(7 518)</b>	<b>(97 971)</b>	<b>(10 474)</b>	<b>(14 818)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>					
Proceeds from borrowings	509 123	181 033	857 773	471 379	1 013 589
Repayments of borrowings	(894 021)	(298 737)	(1 115 329)	(763 626)	(1 073 895)
Net change in bank overdrafts	-	-	-	-	-
Dividends paid to equity holders of Selvaag Bolig ASA	(87 882)	(75 013)	(87 882)	(75 013)	(135 961)
Share buy back Selvaag Bolig ASA	(28 403)	(2 923)	(76 892)	(8 750)	(23 834)
Proceeds from disposal of shares Selvaag Bolig ASA	360	7 434	14 853	7 650	8 561
<b>Net cash flow from financing activities</b>	<b>(500 823)</b>	<b>(188 206)</b>	<b>(407 477)</b>	<b>(368 360)</b>	<b>(211 540)</b>
Net change in cash and cash equivalents	(33 440)	272 757	(545 124)	208 219	213 909
<b>Cash and cash equivalents at start of period</b>	<b>374 509</b>	<b>607 746</b>	<b>886 193</b>	<b>672 284</b>	<b>672 284</b>
<b>Cash and cash equivalents at end of period</b>	<b>341 069</b>	<b>880 503</b>	<b>341 069</b>	<b>880 503</b>	<b>886 193</b>

The consolidated financial information has not been audited

## Selected notes to the quarterly financial statements

### 1. General information and accounting policies

Selvaag Bolig ASA (the "company") and its subsidiaries (together "the group") is a property development group, involved in the construction of residential property for sale in the ordinary course of business. The condensed consolidated interim financial information consists of the group and the group's interest in associated companies and jointly controlled entities.

The group's consolidated financial information have been prepared in accordance with IAS 34 Interim Financial Reporting. The report does not include all the information and disclosures required for annual financial statements and should be read in conjunction with the group's consolidated financial statements for 2016.

The accounting policies applied in preparing these interim condensed consolidated financial statements are consistent with those applied in the group's consolidated financial statements for the year ended 31 December 2016.

Group management has not yet evaluated the impact of implementing new, revised and amended standards with a later date of adoption.

### 2. Accounting judgements, estimates and assumptions

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting principles and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this consolidated interim financial information, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were largely the same as those that

applied in the consolidated financial statements for the year ended 31 December 2016.

### 3. Transactions with related parties

See note 23 in the group's Consolidated Financial Statements for 2016 for detailed information on related party transactions in previous years.

### 4. Segment information

The main segment is defined as Property development. In addition the Other segment consists of Services and Estate Agent, as well as unallocated revenues and costs.

The group utilises the percentage of completion method in its internal reporting for which the degree of completion is estimated based on expenses incurred relative to total estimated costs and sales rate. Operating profit (loss) under the percentage of completion method also includes an estimated profit element. The group consolidated income statement is based on the completed contract method, in which revenue is recognised at the time of transfer of risk and control, being the point of delivery of the property. A reconciliation of this effect (from stage of completion to completed contract) can be found in the segment reporting under "Reconciliation EBITDA to operating profit (loss)".

Group management considers segment results based on the percentage of completion method for determining EBITDA. The method of measurement is defined as operating profit (loss) before "Depreciation and amortisation", "Other gain (loss), net", and "Share of income (losses) from disposals from associated companies and joint ventures". Financial income and expenses are not allocated to operating segments since this type of activity is managed by a central finance function focused on managing the group's liquidity.

## Second quarter 2017

(figures in NOK 1 000)	Property development	Other	Total
Operating revenues	958 071	8 532	966 603
Project expenses	(636 255)	(428)	(636 683)
Other operating expenses	(9 925)	(49 124)	(59 049)
<b>EBITDA (percentage of completion)</b>	<b>311 891</b>	<b>(41 020)</b>	<b>270 871</b>
<b>Reconciliation EBITDA to operating profit (loss):</b>			
EBITDA (percentage of completion)	311 891	(41 020)	270 871
Sales revenues (adjustment effect of percentage of completion)	(690 192)	-	(690 192)
Sales revenues (completed contract)	858 220	-	858 220
Project expenses (adjustment effect of percentage of completion)	509 822	-	509 822
Project expenses (completed contract)	(713 597)	-	(713 597)
Depreciation and amortisation	-	(970)	(970)
Share of income (losses) from associated companies and joint ventures	(9 772)	-	(9 772)
Other gain (loss), net	-	-	-
<b>Operating profit (loss)</b>	<b>266 372</b>	<b>(41 990)</b>	<b>224 382</b>
Units under construction	1 586	N/A	N/A
Units delivered	222	N/A	N/A

## Second quarter 2016

(figures in NOK 1 000)	Property development	Other	Total
Operating revenues	800 574	7 760	808 334
Project expenses	(616 825)	(910)	(617 735)
Other operating expenses	(16 387)	(38 770)	(55 157)
<b>EBITDA (percentage of completion)</b>	<b>167 362</b>	<b>(31 920)</b>	<b>135 442</b>
<b>Reconciliation EBITDA to operating profit (loss):</b>			
EBITDA (percentage of completion)	167 362	(31 920)	135 442
Sales revenues (adjustment effect of percentage of completion)	(790 637)	-	(790 637)
Sales revenues (completed contract)	1 086 243	-	1 086 243
Project expenses (adjustment effect of percentage of completion)	613 209	-	613 209
Project expenses (completed contract)	(914 352)	-	(914 352)
Depreciation and amortisation	-	(6 025)	(6 025)
Share of income (losses) from associated companies and joint ventures	(2 745)	-	(2 745)
Other gain (loss), net	-	-	-
<b>Operating profit (loss)</b>	<b>159 080</b>	<b>(37 945)</b>	<b>121 135</b>
Units under construction	1 344	N/A	N/A
Units delivered	307	N/A	N/A

At 30 June 2017

(figures in NOK 1 000)	Property development	Other	Total
Operating revenues	1 767 754	16 364	1 784 118
Project expenses	(1 192 707)	(840)	(1 193 547)
Other operating expenses	(23 046)	(94 026)	(117 072)
<b>EBITDA (percentage of completion)</b>	<b>552 001</b>	<b>(78 502)</b>	<b>473 499</b>
<b>Reconciliation EBITDA to Operating profit (loss):</b>			
EBITDA (percentage of completion)	552 001	(78 502)	473 499
Sales revenues (adjustment effect of percentage of completion)	(1 339 136)	-	(1 339 136)
Sales revenues (completed contract)	1 145 709	-	1 145 709
Project expenses (adjustment effect of percentage of completion)	991 650	-	991 650
Project expenses (completed contract)	(950 591)	-	(950 591)
Depreciation and amortisation	-	(2 096)	(2 096)
Share of income (losses) from associated companies and joint ventures	(13 994)	-	(13 994)
Other gain (loss), net	-	-	-
<b>Operating profit (loss)</b>	<b>385 639</b>	<b>(80 598)</b>	<b>305 041</b>
Units under construction	1 586	N/A	N/A
Units delivered	307	N/A	N/A

At 30 June 2016

(figures in NOK 1 000)	Property development	Other	Total
Operating revenues	1 609 625	13 784	1 623 409
Project expenses	(1 247 226)	(1 968)	(1 249 194)
Other operating expenses	(30 761)	(76 421)	(107 182)
<b>EBITDA (percentage of completion)</b>	<b>331 637</b>	<b>(64 605)</b>	<b>267 033</b>
<b>Reconciliation EBITDA to operating profit (loss):</b>			
EBITDA (percentage of completion)	331 637	(64 605)	267 033
Sales revenues (adjustment effect of percentage of completion)	(1 588 417)	-	(1 588 417)
Sales revenues (completed contract)	1 692 489	-	1 692 489
Project expenses (adjustment effect of percentage of completion)	1 243 867	-	1 243 867
Project expenses (completed contract)	(1 414 642)	-	(1 414 642)
Depreciation and amortisation	-	(12 183)	(12 183)
Share of income (losses) from associated companies and joint ventures	(4 065)	-	(4 065)
Other gain (loss), net	-	-	-
<b>Operating profit (loss)</b>	<b>260 869</b>	<b>(76 788)</b>	<b>184 082</b>
Units under construction	1 344	N/A	N/A
Units delivered	486	N/A	N/A



**5. Inventory - property**

The group has property that is land and buildings intended for sale in the ordinary course of business or which is in the process of construction or development for such sale. Inventories thus comprise land, property held for resale,

and property under development and construction. Inventories are measured at the lower of cost and net realisable value.

(figures in NOK 1 000)	Q2 2017	Q1 2017	Q2 2016	2016
Land (undeveloped)	1 672 440	1 685 730	1 542 946	1 437 259
Work in progress	2 761 323	2 816 289	2 370 595	2 579 660
Completed units	184 699	249 501	373 108	267 092
<b>Carrying amount</b>	<b>4 618 462</b>	<b>4 751 520</b>	<b>4 286 649</b>	<b>4 284 011</b>

**6. Project expenses and EBITDA**

The group expenses all directly attributable costs in construction projects as project expenses. This includes financial expenses. Below is a specification showing the

project cost and EBITDA including and excluding financial expenses.

(figures in NOK 1 000)	Q2 2017	Q2 2016	1H 2017	1H 2016	2016
<b>Project expenses</b>	<b>(840 459)</b>	<b>(918 899)</b>	<b>(1 152 489)</b>	<b>(1 419 990)</b>	<b>(2 379 746)</b>
Finance expenses	(19 385)	(33 801)	(31 239)	(55 576)	(110 528)
Other project expenses	(821 074)	(885 098)	(1 121 250)	(1 364 414)	(2 279 342)

(figures in NOK 1 000)	Q2 2017	Q2 2016	1H 2017	1H 2016	2016
<b>EBITDA</b>	<b>225 352</b>	<b>127 160</b>	<b>307 137</b>	<b>196 265</b>	<b>413 964</b>
<b>EBITDA-margin</b>	<b>19.9%</b>	<b>11.5%</b>	<b>19.3%</b>	<b>11.4%</b>	<b>13.8%</b>
EBITDA excl. financial expenses	244 737	160 961	338 376	251 841	514 368
EBITDA-margin excl. financial expenses	21.6%	14.6%	21.3%	14.6%	17.1%

## Declaration by the board of directors and CEO

We declare, to the best of our knowledge, that the half year financial statements for the period from 1 January to 30 June 2017 have been prepared in accordance with IAS 34 on interim financial reporting, and that the information in the financial statements provides a true and fair picture of the group's assets, liabilities, financial position and results as a whole.

We also declare, to the best of our knowledge, that the directors' report for the first half year provides a true and fair view of important events in the accounting period and their influence on the half-year accounts, and the principal risk and uncertainty factors facing the business in the next accounting period.

The board of directors for Selvaag Bolig ASA  
Oslo, 16 August 2017

Olav Hindahl Selvaag  
Chair

Sissel Kristensen  
Director

Christopher Brunvoll  
Director

Peter Groth  
Director

Karsten Bomann Jonsen  
Director

Anne Sofie Bjørkholt  
Director

Gisele Marchand  
Director

Baard Schumann  
President and CEO

# SELVAAG BOLIG



**For further information, please contact:**

Baard Schumann, CEO Selvaag Bolig ASA

Telephone: +47 940 80 000, e-mail: [bs@selvaagbolig.no](mailto:bs@selvaagbolig.no)

Sverre Molvik, CFO Selvaag Bolig ASA

Telephone: +47 401 00 585, e-mail: [smo@selvaagbolig.no](mailto:smo@selvaagbolig.no)

**About Selvaag Bolig**

Selvaag Bolig ASA is a residential property developer controlling the entire value chain from acquisition of land to sale of homes. The company has several thousand homes under development at any given time, and focuses on the growth areas in and around Greater Oslo, Bergen, Stavanger and Trondheim. Selvaag Bolig represents a continuation of Selvaag's 70-year history and experience, and offers a broad variety of property types marketed under the brand names Start, Hjem and Pluss. The company is headquartered at Ullern in Oslo.

[www.selvaagboligasa.no/en](http://www.selvaagboligasa.no/en)