

Q1
2019

First
quarter
results



SELVAAG BOLIG

Highlights of the first quarter 2019

- Operating revenues of NOK 109 million (NOK 381 million)
- Adjusted EBITDA** negative at NOK 9 million (positive at NOK 51 million) and ordinary EBITDA* negative at NOK 12 million (positive at NOK 45 million)
- 243 units sold (185)
- Construction started on 97 units (102)
- 12 units completed (54) and 29 delivered (59)
- A total of 1 534 units (1 511) under construction at 31 March, with a combined sales value of NOK 7 097 million (NOK 7 032 million)
- 70 per cent of units under construction are sold (73 per cent). 77 per cent of units due for completion in 2019 are sold

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

Key figures

(figures in NOK 1 000)	Q1 2019	Q1 2018	2018
IFRS main figures			
Operating revenues	109 159	380 569	3 342 075
EBITDA*	-11 505	45 392	754 187
EBITDA adjusted**	-8 951	50 730	827 328
Operating profit/(loss)	(14 802)	44 461	750 480
Profit/(loss) before taxes	(20 590)	40 901	732 470
Cash flow from operating activities	(358 101)	(311 717)	427 017
Net cash flow	(91 994)	(146 109)	171 473
Interest-bearing liabilities	2 560 889	2 358 556	2 316 306
Total assets	6 583 479	6 428 110	6 491 129
Equity	3 099 393	2 912 157	3 116 136
Equity ratio	47.1%	45.3%	48.0%
Earnings per share in NOK	(0.16)	0.34	6.14
Segment reporting (NGAAP):			
Operating revenues	680 484	571 863	2 974 801
EBITDA***	154 316	117 104	612 419
EBITDA margin	22.7%	20.5%	20.6%
Key figures:			
Number of units sold	243	185	696
Number of construction starts	97	102	840
Number of units delivered	29	59	849
Number of units completed	12	54	854

* EBITDA is profit before interest, taxes, depreciation and amortisation.

** 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)	Q1 2019	Q1 2018	2018
Total operating revenues	109 159	380 569	3 342 075
Project expenses	(69 510)	(275 920)	(2 421 633)
Other operating expenses, salaries and personnel cost, depreciation and amortisation	(60 033)	(58 285)	(271 758)
Total operating expenses	(129 543)	(334 205)	(2 693 391)
Associated companies and other gains (loss)	5 582	(1 903)	101 796
Operating profit	(14 802)	44 461	750 480
Net financial expenses	(5 788)	(3 560)	(18 010)
Profit before taxes	(20 590)	40 901	732 470
Income taxes	5 348	(9 622)	(165 626)
Net income	(15 242)	31 279	566 844

Results for the first quarter of 2019

(Figures in brackets relate to the corresponding period of 2018. The figures are unaudited.)

Selvaag Bolig had operating revenues of NOK 109.2 million (NOK 380.6 million) in the first quarter. Revenues from units delivered accounted for NOK 92.8 million (NOK 323.2 million) of this total. Other revenues derived from non-core activities, mainly rental of commercial premises.

A total of 29 units (59) were delivered in the quarter, including 17 (59) from consolidated project companies.

Project costs for the quarter totalled NOK 69.5 million (NOK 275.9 million), of which NOK 2.6 million (NOK 5.3 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 totalled NOK 60 million (NOK 58.3 million) for the period. Payroll costs accounted for NOK 27.2 million (NOK 26.8 million) of this figure.

A further NOK 5.5 million (NOK 5.6 million) in payroll costs related to housing under construction was capitalised during the quarter and will be expensed as project costs on future delivery. Other operating costs came to NOK 29.6 million (NOK 30.5 million) for the quarter, including NOK 12.5 million (NOK 5.9 million) for sales and marketing.

The share of results from associates came to NOK 5.6 million (negative at NOK 1.9 million) for the quarter. This improvement reflected a larger number of deliveries in joint ventures.

Reported EBITDA was negative at NOK 11.5 million (positive at NOK 45.4 million), corresponding to a negative margin of 10.5 per cent (positive at 11.9 per cent). The decline in EBITDA primarily reflects fewer units delivered. EBITDA adjusted for financial expenses included in project costs was negative at NOK 9 million (positive at NOK 50.7 million), corresponding to a negative margin of 8.2 per cent (positive at 13.3 per cent). See the section on interest-bearing debt below and note 6 to the financial statements for more information.

Consolidated depreciation and amortisation totalled NOK 3.3 million (NOK 0.9 million). This increase reflects the introduction of a new accounting standard for leases, IFRS 16, where part of the lease expenses is classified as depreciation. The consolidated operating loss thereby came to NOK 14.8 million (profit of NOK 44.5 million).

Net financial expenses amounted to NOK 5.8 million (NOK 3.6 million). The pre-tax loss for the quarter came to NOK 20.6 million (profit of NOK 40.9 million).

A positive net contribution from tax of NOK 5.3 million is calculated for the quarter, compared with a tax expense of NOK 9.6 million in the same period of 2018. The consolidated net loss for the first quarter consequently came to NOK 15.2 million (profit of NOK 31.3 million). NOK 15.2 million of the loss was attributable to the shareholders of Selvaag Bolig ASA, compared with NOK 31.3 million of last year's profit, and NOK 0 (NOK 0) to non-controlling shareholders.

Cash flow

Consolidated net cash flow from operational activities was negative at NOK 358.1 million (NOK 311.7 million) for the first quarter. The change from the same period of last year primarily reflected fewer units delivered. See note 5 on inventories for more information.

Net cash flow from investing activities came to NOK 39.7 million (NOK 34 million) for the quarter. This figure primarily represents receipts from the settlement of seller credits and dividend from part-owned companies.

Net cash flow from financing activities was NOK 226.4 million (NOK 131.6 million) for the quarter, almost entirely related to NOK 280 million in new construction loans raised during the period. The change from the same period of 2018 primarily reflected reduced redemption of construction loans.

The group's holding of cash and cash equivalents at 31 March totalled NOK 565 million (NOK 339.5 million), down by NOK 92 million from 31 December but up by NOK 225.6 million from a year earlier.

Cash flow summary

(figures in NOK 1 000)	Q1 2019	Q1 2018	2018
Profit before taxes	(20 590)	40 901	732 470
Net cash flow from operating activities	(358 101)	(311 717)	427 017
Net cash flow from investment activities	39 700	33 990	20 558
Net cash flow from financing activities	226 406	131 618	(276 102)
Net change in cash and cash equivalents	(91 994)	(146 109)	171 473
Cash and cash equivalents at start of period	657 034	485 561	485 561
Cash and cash equivalents at end of period	565 040	339 452	657 034

Financial position

The carrying amount of Selvaag Bolig's total inventory (land, units under construction and completed units) at 31 March was NOK 4 614.9 million, compared with NOK 4 306.3 million at 31 December and NOK 4 912.8 million a year earlier. The increase during the first quarter primarily reflected fewer units delivered. See note 5 for a further specification of inventory.

Equity was NOK 3 099.4 million (NOK 2 912.2 million) at 31 March, corresponding to an equity ratio of 47.1 per cent (45.3 per cent). Non-controlling interests amounted to NOK 7.9 million (NOK 9.4 million) of equity.

Other current non-interest-bearing liabilities for the group totalled NOK 521 million (NOK 833.3 million) at 31 March, of which NOK 269 million (NOK 393.8 million) represented advance payments from customers.

At 31 March, consolidated interest-bearing debt amounted to NOK 2 560.9 million (NOK 2 358.6 million), of which NOK 1 942.8 million (NOK 1 998.8 million) was non-current and NOK 618.1 million (NOK 359.7 million) was current. The increase in current debt primarily reflected projects approaching completion.

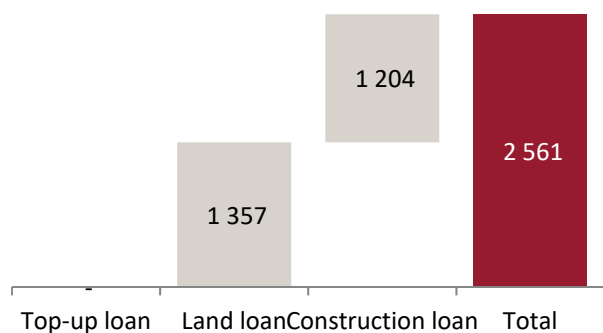
The group had land loans totalling NOK 1 357.2 million (NOK 1 252.3 million) at 31 March. These are normally converted to construction loans in line with the progress of the respective construction projects.

Selvaag Bolig ASA has a credit facility agreement of NOK 500 million with DNB, which matures in April 2022. This facility was increased by NOK 100 million in 2018. The company also has an annually renewed overdraft facility of NOK 150 million with DNB. No drawings had been made against any of these facilities at 31 March.

Net interest-bearing debt

(figures in NOK 1 000)	Q1 2019	Q1 2018	2018
Non-current interest-bearing debt	1 942 798	1 998 824	1 795 798
Current interest-bearing debt	618 091	359 732	520 508
Cash and cash equivalents	(565 040)	(339 452)	(657 034)
Net interest-bearing debt	1 995 849	2 019 104	1 659 272

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 31 March, the group had no top-up loans, land loans of NOK 1 357 million and total construction loans of NOK 1 204 million.

Interest-bearing debt at 31 Mar. 2019 (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 31 March, interest on NOK 992 million in land loans had been capitalised, while interest charges relating to NOK 365 million in land loans spread over three 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 main segment. 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 first quarter 2019

(figures in NOK 1 000)	Operating revenues		EBITDA		Operating profit/loss	
	Q1 19	Q1 18	Q1 19	Q1 18	Q1 19	Q1 18
Property development	671 004	561 808	188 537	151 275	210 182	165 624
Other	9 480	10 055	(34 221)	(34 171)	(35 153)	(35 092)
IFRS adjustments	(571 325)	(191 294)	(165 821)	(71 712)	(189 831)	(86 071)
Total group	109 159	380 569	(11 505)	45 392	(14 802)	44 461

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 first quarter were NOK 671 million (NOK 561.8 million). They derived from 19 projects (21) currently in production. The increase from the same period of last year reflects a higher sales ratio in the projects.

Operating costs, primarily for construction and sales, are directly related to the projects and amounted to NOK 482.5

million (NOK 410.5 million) for the first 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 188.5 million (NOK 151.3 million) for the quarter, corresponding to a profit margin of 28.1 per cent (26.9 per cent).

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 first quarter came to NOK 9.5 million (NOK 10.1 million), while operating costs amounted to NOK 43.7 million (NOK 44.2 million). Costs relate largely to remuneration for the administration and management, as well as to central marketing. EBITDA was thereby negative at NOK 34.2 million (NOK 34.2 million).

Review of operations

Operations

A total of 270 units with a combined value of NOK 1 320 million were sold during the quarter. Selvaag Bolig's share amounted to 243 units sold with a combined value of NOK 1 183 million.

Activity in the group was at a high level, with 1 534 units worth some NOK 7.1 billion under construction. Work started on constructing 97 units during the first quarter, and 12 were completed.

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.

Projects

The company has projects in Oslo, Bærum, Asker, Lørenskog, Moss, Ski, Stavanger, Sandnes, Sola, Tønsberg, Trondheim, Bergen and Stockholm. However, no projects were under construction in Asker, Bærum, Ski or Sandnes during the first quarter.

Quarterly development in the project portfolio

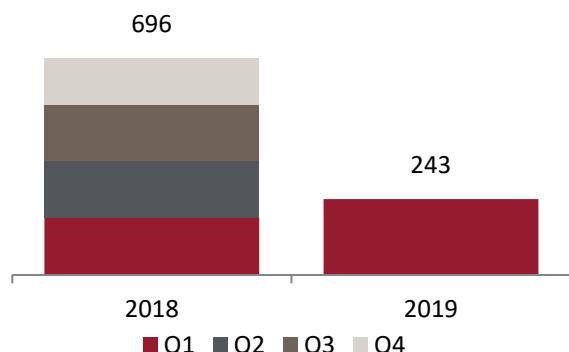
	Q1 18	Q2 18	Q3 18	Q4 18	Q1 19
Number of units sold	185	181	182	148	243
Number of construction starts	102	234	102	402	97
Number of units completed	54	242	117	441	12
Number of units delivered	59	243	126	421	29
Number of units under construction	1 511	1 503	1 488	1 449	1 534
Proportion of sold units under construction	73 %	72 %	74 %	66 %	70 %
Number of completed unsold units	19	18	12	26	13
Sales value of units under construction (NOK million)	7 032	7 076	6 908	6 712	7 097

Purchase and sale of land

No new agreements on the purchase or sale of land were entered into during the quarter.

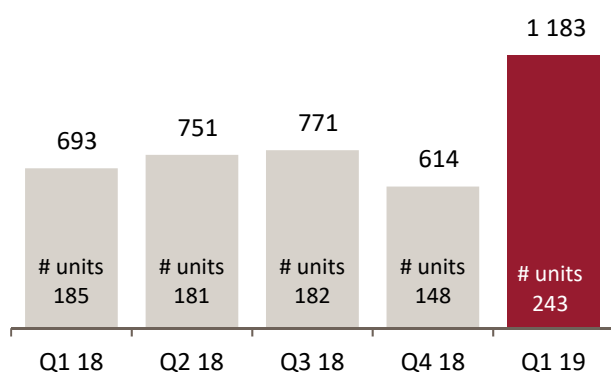
Sales development and progress

Units sold



Total sales during the first quarter, including Selvaag Bolig's relative share of joint ventures, amounted to 243 units with a combined sales value of NOK 1 183 million. These sales comprise Selvaag Bolig's consolidated project companies as well as its relative share of units sold in joint-venture projects. Sales in the same period of 2018 totalled 185 units with a combined value of NOK 693 million. The increased value reflects more units sold and a higher average price per unit.

Value of units sold (NOK mill)



Selvaag Bolig started sales during the quarter in three projects, comprising a total of 197 residential units (60).

Sales starts in the quarter

Project	# of units	Category	Region
Landås Asker	44	Flat	Greater Oslo
Skifabrikken Ås	87	Flat	Greater Oslo
Lervig Brygge Sjøtunet	66	Flat	Stavanger
Total	197		

Construction began on 97 (102) 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.

At 31 March, Selvaag Bolig had 1 534 (1 511) units under construction. They included 1 192 units in Greater Oslo, 278 in the rest of Norway and 65 abroad.

The order backlog at 31 March - in other words, the sales value of the 1 534 (1 511) units then under construction - was NOK 7 097 million (NOK 7 032 million).

A total of 12 (54) units were completed in the first quarter, and 29 (59) - including ones completed earlier - were delivered.

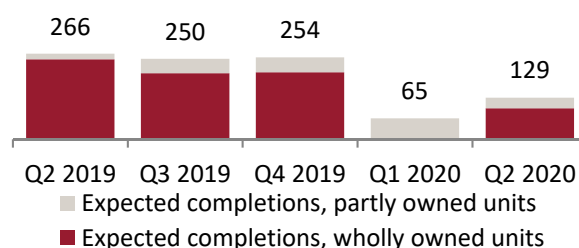
At 31 March, the group held 13 (19) completed but unsold units. Consolidated project companies accounted for 17 (59) of the units delivered, while 12 (0) were in part-owned project companies.

Units completed by project

Project	# units	Category	Region
Kaldnes Sjøfront	12	Flat	Greater Oslo
Total	12		

Based on expected progress for the projects, 266 units are expected to be completed in the second quarter of 2019. Estimated completions for 2019 as a whole amount to 782 units, which is 15 more than reported in the previous quarter.

Expected number of completions



Share information

The company had 93.77 million issued shares at 31 March, divided between 2 472 shareholders.

The 20 largest shareholders controlled 78.8 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 40.05 to NOK 45.80. The closing price at 31 March was NOK 43.00, compared with NOK 40.45 at 30 September. The share price accordingly rose by 6.3 per cent over the quarter.

A total of just over 4.2 million shares, or 4.5 per cent of the overall number outstanding, were traded during the period. Share turnover totalled NOK 186.4 million during the quarter, corresponding to an average daily figure of roughly NOK 2.9 million.

20 largest shareholders at 31 March 2019

Shareholder	# of shares	% share
SELVAAG GRUPPEN AS	50 180 087	53.5%
LANDSFORSÅKRINGAR FASTIGHETSFOND	5 653 788	6.0%
Morgan Stanley & Co. Int. Plc. *)	2 746 221	2.9%
PARETO INVEST AS	2 065 624	2.2%
VERDIPAPIRFONDET PARETO INVESTMENT	1 596 366	1.7%
SEB PRIME SOLUTIONS SISSENER CANOP	1 400 000	1.5%
VERDIPAPIRFONDET ALFRED BERG GAMBA	1 059 567	1.1%
JPMorgan Chase Bank, N.A., London *)	966 761	1.0%
State Street Bank and Trust Comp	959 071	1.0%
FLPS - GL S-M SUB	940 100	1.0%
HOLBERG NORGE	880 000	0.9%
HOLTA INVEST AS	841 619	0.9%
SELVAAG BOLIG ASA **)	837 068	0.9%
BANAN II AS	600 000	0.6%
STOREBRAND NORGE I VERDIPAPIRFOND	581 069	0.6%
Baard Schumann	565 127	0.6%
MUSTAD INDUSTRIER AS	559 324	0.6%
Morgan Stanley & Co. International	495 977	0.5%
SPARHANS AS	476 221	0.5%
State Street Bank and Trust Comp *)	470 401	0.5%
Total 20 largest shareholders	73 874 391	78.8%
Other shareholders	19 891 297	21.2%
Total number of shares	93 765 688	100.0%

*) Further information regarding shareholders is presented at:
<http://sboasa.no/en>

**) 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.

Macroeconomic 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 conducted 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

According to Statistics Norway (SSB), seasonally adjusted Norwegian house prices at 31 March were on average 0.3 per cent higher than at 31 December and up by three per cent from 31 March 2018. Price developments differed between Selvaag Bolig's core areas during the quarter. Overall prices rose by 0.5 per cent during the quarter in Oslo including Bærum, and were 4.6 per cent higher than at 31 March 2018. In Akershus county excluding Bærum, prices rose by 0.5 per cent and were up by 2.5 per cent from 31 March 2018. Prices

in Stavanger increased by 1.9 per cent during the quarter and were 0.2 per cent higher than at 31 March 2018. Prices in Bergen were up by 1.3 per cent in the quarter and by 2.6 per cent over the year. In Trondheim, prices fell by 1.1 per cent for the quarter and were 1.5 per cent higher than at 31 March 2018.

Interim financial statements (IFRS)

Statement of comprehensive income

(figures in NOK 1 000, except earnings per share)	Q1 2019	Q1 2018	2018
Revenues	92 791	365 687	3 267 505
Other revenues	16 368	14 882	74 570
Total operating revenues	109 159	380 569	3 342 075
Project expenses	(69 510)	(275 920)	(2 421 633)
Salaries and personnel costs	(27 154)	(26 849)	(142 498)
Depreciation and amortisation	(3 297)	(931)	(3 707)
Other operating expenses	(29 582)	(30 505)	(125 553)
Other gains (losses), net	-	-	-
Total operating expenses	(129 543)	(334 205)	(2 693 391)
Associated companies and joint ventures	5 582	(1 903)	101 796
Operating profit	(14 802)	44 461	750 480
Financial income	2 836	1 769	10 219
Financial expenses	(8 624)	(5 329)	(28 229)
Net financial expenses	(5 788)	(3 560)	(18 010)
Profit/(loss) before taxes	(20 590)	40 901	732 470
Income taxes	5 348	(9 622)	(165 626)
Net income	(15 242)	31 279	566 844
Other comprehensive income/expenses			
Translation differences	(1)	(1 641)	317
Total comprehensive income/(loss) for the period	(15 243)	29 638	567 161
Net income for the period attributable to:			
Non-controlling interests	-	(3)	(95)
Shareholders in Selvaag Bolig ASA	(15 242)	31 282	566 939
Total comprehensive income/(loss) for the period attributable to:			
Non-controlling interests	-	(3)	(95)
Shareholders in Selvaag Bolig ASA	(15 243)	29 641	567 256
Earnings per share for net income/(loss) attributed to shareholders in Selvaag Bolig ASA:			
Earnings per share (basic and diluted) in NOK	(0.16)	0.34	6.14

Statements of financial position

(figures in NOK 1 000)	Note	Q1 2019	Q1 2018	2018
ASSETS				
Non-current assets				
Goodwill		383 376	383 376	383 376
Other intangible assets		-	-	-
Property, plant and equipment		7 611	10 501	8 565
Right-of-use lease assets		51 284	-	-
Investments in associated companies and joint ventures		398 862	300 338	415 280
Loans to associated companies and joint ventures		124 670	117 675	119 290
Other non-current assets		306 235	200 310	326 074
Total non-current assets		1 272 038	1 012 200	1 252 585
Current assets				
Inventories (property)	5	4 614 891	4 912 782	4 306 304
Trade receivables		61 535	93 918	215 007
Other current receivables		69 975	69 758	60 199
Cash and cash equivalents		565 040	339 452	657 034
Total current assets		5 311 441	5 415 910	5 238 544
TOTAL ASSETS		6 583 479	6 428 110	6 491 129
EQUITY AND LIABILITIES				
Equity attributed to shareholders in Selvaag Bolig ASA		3 091 527	2 902 741	3 106 770
Non-controlling interests		7 866	9 416	9 366
Total equity		3 099 393	2 912 157	3 116 136
LIABILITIES				
Non-current liabilities				
Pension liabilities		277	643	277
Deferred tax liabilities		93 011	83 537	93 011
Provisions		60 373	60 373	60 373
Other non-current non interest-bearing liabilities		2 812	2 729	3 225
Non-current lease liabilities		41 204	-	-
Non-current interest-bearing liabilities		1 942 798	1 998 824	1 795 798
Total non-current liabilities		2 140 475	2 146 106	1 952 684
Current liabilities				
Current lease liabilities		9 821	-	-
Current interest-bearing liabilities		618 091	359 732	520 508
Trade payables		134 144	114 400	181 360
Current tax payables		60 534	62 408	158 110
Other current non interest-bearing liabilities		521 021	833 307	562 331
Total current liabilities		1 343 611	1 369 847	1 422 309
Total liabilities		3 484 087	3 515 953	3 374 993
TOTAL EQUITY AND LIABILITIES		6 583 479	6 428 110	6 491 129

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
Equity as of 1 January 2019	185 857	1 394 857	700 629	5 792	3 528	816 106	3 106 772	9 366 *)	3 116 136
Transactions with owners:									
Dividend	-	-	-	-	-	-	-	-	-
Share buy back	-	-	-	-	-	-	-	-	-
Employee share programme	-	-	-	-	-	-	-	-	-
Dividend to non-controlling interests	-	-	-	-	-	-	-	(1 500)	(1 500)
<i>Total comprehensive income/(loss) for the period:</i>									
Net income/(loss) for the period	-	-	-	-	-	(15 242)	(15 242)	-	(15 242)
Other comprehensive income/(loss) for the period	-	-	-	(1)	-	-	(1)	-	(1)
Equity as of 31 March 2019	185 857	1 394 857	700 629	5 791	3 528	800 864	3 091 528	7 866 *)	3 099 392

Equity as of 1 January 2018	183 523	1 394 857	700 629	5 475	3 528	560 710	2 848 724	9 419 *)	2 858 142
Transactions with owners:									
Dividend	-	-	-	-	-	-	-	-	-
Share buy back	-	-	-	-	-	-	-	-	-
Employee share programme	1 393	-	-	-	-	22 984	24 377	-	24 377
<i>Total comprehensive income/(loss) for the period:</i>									
Net income/(loss) for the period	-	-	-	-	-	31 282	31 282	(3)	31 279
Other comprehensive income/(loss) for the period	-	-	-	(1 641)	-	-	(1 641)	-	(1 641)
Equity as of 31 March 2018	184 916	1 394 857	700 629	3 834	3 528	614 976	2 902 743	9 416 *)	2 912 157
Transactions with owners:									
Dividend	-	-	-	-	-	(351 341)	(351 341)	-	(351 341)
Share buy back	-	-	-	-	-	-	-	-	-
Employee share programme	941	-	-	-	-	16 856	17 797	-	17 797
Dividend to non-controlling interests	-	-	-	-	-	-	-	-	-
<i>Total comprehensive income/(loss) for the period:</i>									
Net income/(loss) for the period	-	-	-	-	-	535 657	535 657	(92)	535 565
Other comprehensive income/(loss) for the period	-	-	-	1 958	-	(42)	1 916	42	1 958
Equity as of 31 December 2018	185 857	1 394 857	700 629	5 792	3 528	816 106	3 106 772	9 366 *)	3 116 136

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)	Q1 2019	Q1 2018	2018
CASH FLOW FROM OPERATING ACTIVITIES			
Profit/(loss) before taxes	(20 590)	40 901	732 470
Income taxes paid	(48 828)	(50 996)	(102 659)
Depreciation and amortisation	3 297	931	3 707
Share of profits/(losses) from associated companies and joint ventures	(5 582)	1 903	(101 796)
Changes in inventories (property)	(296 687)	(259 087)	283 732
Changes in trade receivables	153 472	39 914	(81 175)
Changes in trade payables	(90 616)	(52 079)	14 881
Changes in other operating working capital assets	(11 646)	(8 460)	(21 943)
Changes in other operating working capital liabilities	(40 921)	(24 743)	(300 201)
Net cash flow from operating activities	(358 101)	(311 717)	427 017
CASH FLOW FROM INVESTMENT ACTIVITIES			
Purchases of PPE and intangible assets	-	(10)	(842)
Purchases of businesses and subsidiaries, net of cash acquired	-	-	1 365
Purchases of associated companies and joint ventures	-	-	(53 405)
Proceeds from sale of other investments and repayment of loans	22 000	27 200	44 920
Purchases of other investments and loans	(4 300)	(7 200)	(43 612)
Dividends and disbursements from associated companies and joint ventures	22 000	14 000	72 132
Net cash flow from investment activities	39 700	33 990	20 558
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings	279 842	282 421	1 709 364
Repayments of borrowings	(49 709)	(151 121)	(1 662 034)
Repayments of lease liabilities	(2 614)	-	-
Dividends paid to equity holders of Selvaag Bolig ASA	-	-	(351 341)
Payment of profit sharing and dividends to non-controlling interests in subsidiaries	(1 500)	-	-
Proceeds from disposal of shares Selvaag Bolig ASA	388	318	27 909
Net cash flow from financing activities	226 406	131 618	(276 102)
Net change in cash and cash equivalents	(91 994)	(146 109)	171 473
Cash and cash equivalents at start of period	657 034	485 561	485 561
Cash and cash equivalents at end of period	565 040	339 452	657 034

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 2018.

IFRS 15 Revenue from Contracts with Customers is a standard for income recognition introduced on 1 January 2018. It replaces IAS 18, which applies in part to sales of goods and services, and IAS 11 on construction contracts, as well as IFRIC 15, which has been the prevailing interpretation of the income recognition rules for residential property sales. Earlier practice for income recognition related to property development projects for own account in Norway will not change with the implementation of IFRS 15. The matter was considered by the International Financial Reporting Interpretations Committee (IFRIC) and a final decision issued in March 2018.

IFRS 16 Leases is a new standard introduced on 1 January 2019. It will mean that almost all leases must be recognised in the balance sheet. The standard removes the distinction between operating and financing leases and requires recognition of a right to use (the right to use the leased asset) and a financial liability which represents the present value of rental payments for the right to use. An exemption from this solution can be chosen for short-term and low-value leases. The income statement will also be affected because operating expenses are replaced by interest and depreciation, so key metrics such as EBITDA will change. Operating cash flows will be higher since cash payments for the principal part of the lease liability are classified as a financing activity. The effects are not considered to be material.

The accounting policies applied in preparing these interim condensed consolidated financial statements are otherwise consistent with those applied in the group's consolidated financial statements for the year ended 31 December 2018.

2. Accounting judgements, estimates and assumptions

The preparation of interim financial information requires management to make judgements, estimates and assumptions which 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 which applied in the consolidated financial statements for the year ended 31 December 2018.

3. Transactions with related parties

See note 23 to the consolidated financial statements for 2018 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 on the basis of 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 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.

First quarter 2019

(figures in NOK 1 000)	Property development	Other	Total
Operating revenues	671 004	9 480	680 484
Project expenses	(466 675)	(143)	(466 818)
Other operating expenses	(15 792)	(43 558)	(59 350)
EBITDA (percentage of completion)	188 537	(34 221)	154 316
Reconciliation EBITDA to operating profit (loss):			
EBITDA (percentage of completion)	188 537	(34 221)	154 316
Sales revenues (adjustment effect of percentage of completion)	(663 852)	-	(663 852)
Sales revenues (completed contract)	92 527	-	92 527
Project expenses (adjustment effect of percentage of completion)	466 611	-	466 611
Project expenses (completed contract)	(69 303)	-	(69 303)
Lease liabilities			
Depreciation and amortisation	-	(3 297)	(3 297)
Share of income (losses) from associated companies and joint ventures	5 582	-	5 582
Operating profit (loss)	22 716	(37 518)	(14 802)
Units under construction	1 534	N/A	N/A
Units delivered	29	N/A	N/A

First quarter 2018

(figures in NOK 1 000)	Property development	Other	Total
Operating revenues	561 808	10 055	571 863
Project expenses	(397 271)	(134)	(397 405)
Other operating expenses	(13 262)	(44 092)	(57 354)
EBITDA (percentage of completion)	151 275	(34 171)	117 104
Reconciliation EBITDA to operating profit (loss):			
EBITDA (percentage of completion)	151 275	(34 171)	117 104
Sales revenues (adjustment effect of percentage of completion)	(511 263)	-	(511 263)
Sales revenues (completed contract)	319 969	-	319 969
Project expenses (adjustment effect of percentage of completion)	360 819	-	360 819
Project expenses (completed contract)	(239 334)	-	(239 334)
Lease liabilities			
Depreciation and amortisation	-	(931)	(931)
Share of income (losses) from associated companies and joint ventures	(1 903)	-	(1 903)
Operating profit (loss)	79 563	(35 102)	44 461
Units under construction	1 511	N/A	N/A
Units delivered	59	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)	Q1 2019	Q1 2018	2018
Land (undeveloped)	1 590 653	1 892 386	1 600 290
Work in progress	2 922 818	2 843 102	2 539 828
Completed units	101 420	177 294	166 186
Carrying amount	4 614 891	4 912 782	4 306 304

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)	Q1 2019	Q1 2018	2018
Project expenses	(69 510)	(275 920)	(2 421 633)
Finance expenses	(2 554)	(5 338)	(73 141)
Other project expenses	(66 956)	(270 582)	(2 348 492)

(figures in NOK 1 000)	Q1 2019	Q1 2018	2018
EBITDA*	(11 505)	45 392	754 187
EBITDA-margin	(10.5%)	11.9%	22.6%
EBITDA adjusted**	(8 951)	50 730	827 328
EBITDA-margin adjusted	(8.2%)	13.3%	24.8%

* EBITDA is profit before interest, taxes, depreciation and amortisation.

** EBITDA adjusted is excluding financial expenses included in project costs.

SELVAAG BOLIG

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About Selvaag Bolig

Selvaag Bolig ASA is a residential property developer controlling 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. The company is headquartered at Ullern in Oslo.

www.selvaagbolig.no