

# SELVAAG BOLIG

Q4 2019

Oslo, 12 February 2020  
Rolf Thorsen, CEO  
Sverre Molvik, CFO

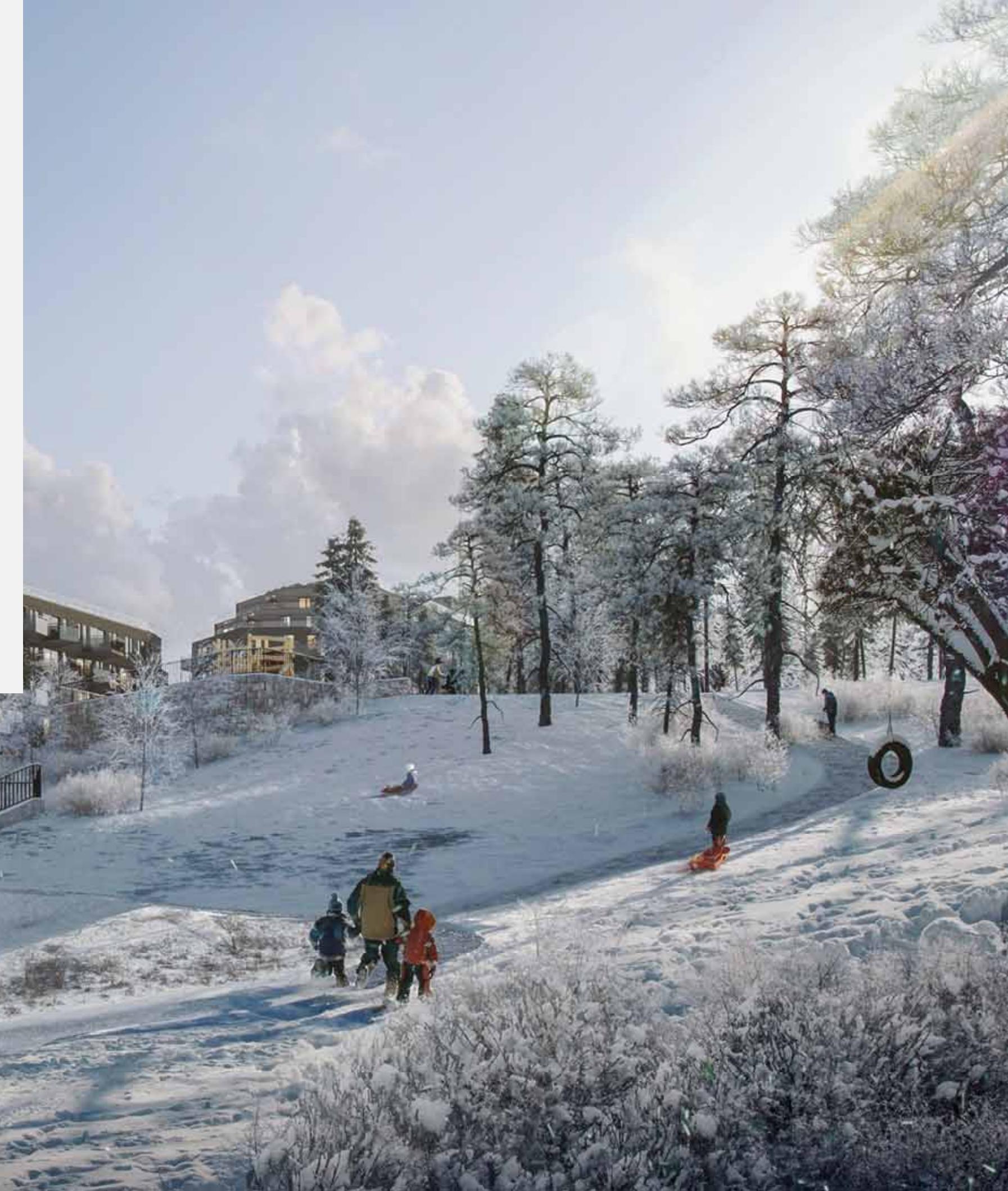
# Agenda

Highlights and sales

Operational and financial update

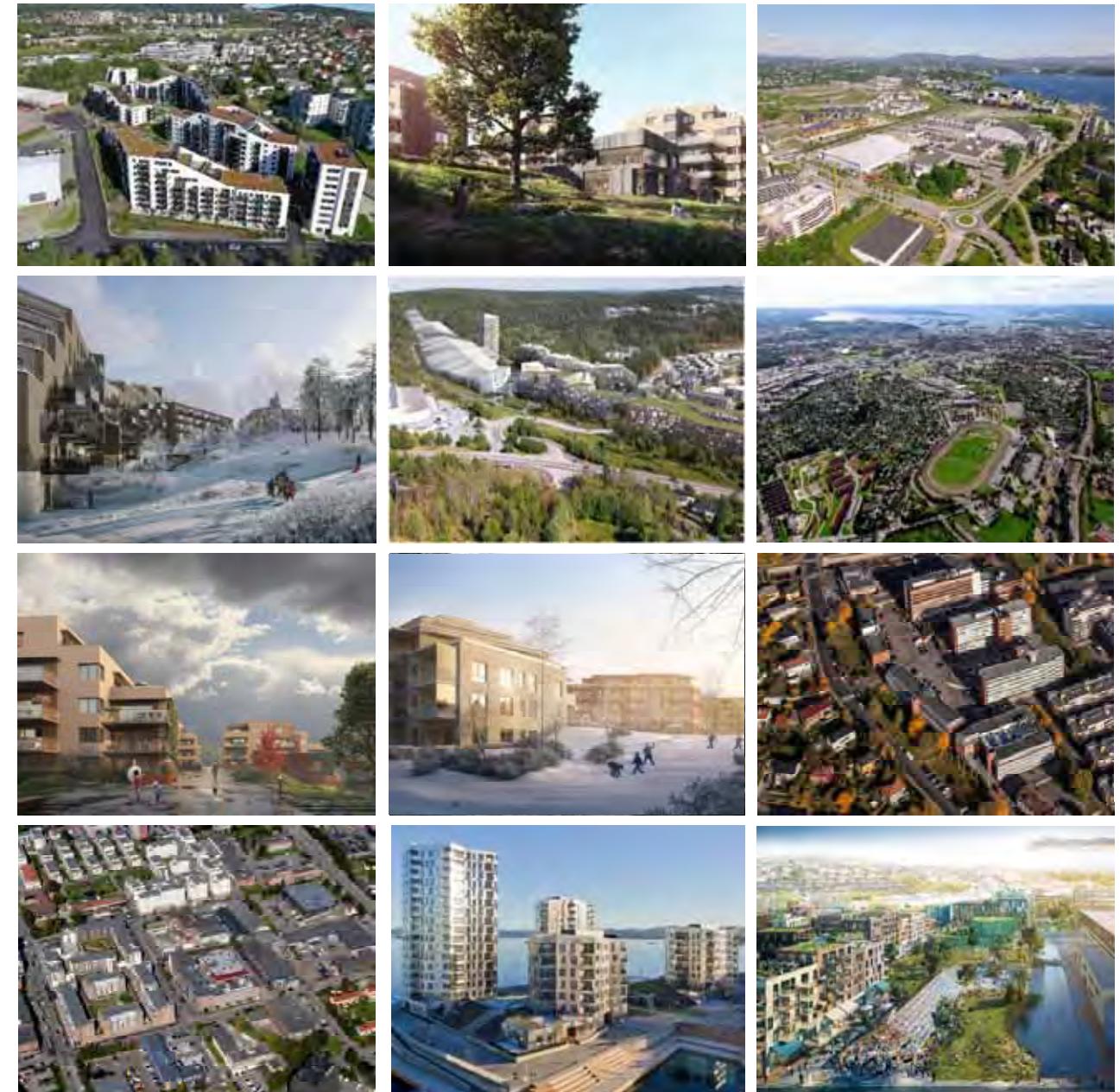
Market

Summary and outlook



# Highlights Q4 and FY 2019

- Strong operational performance during Q4 and FY 2019
- Urban Property transaction completed
  - EO dividend of NOK 22 per share
- Proposes ordinary dividend of NOK 3.00 per share for 2H 2019



Completed, ongoing and upcoming projects

# Key financials Q4 and FY 2019

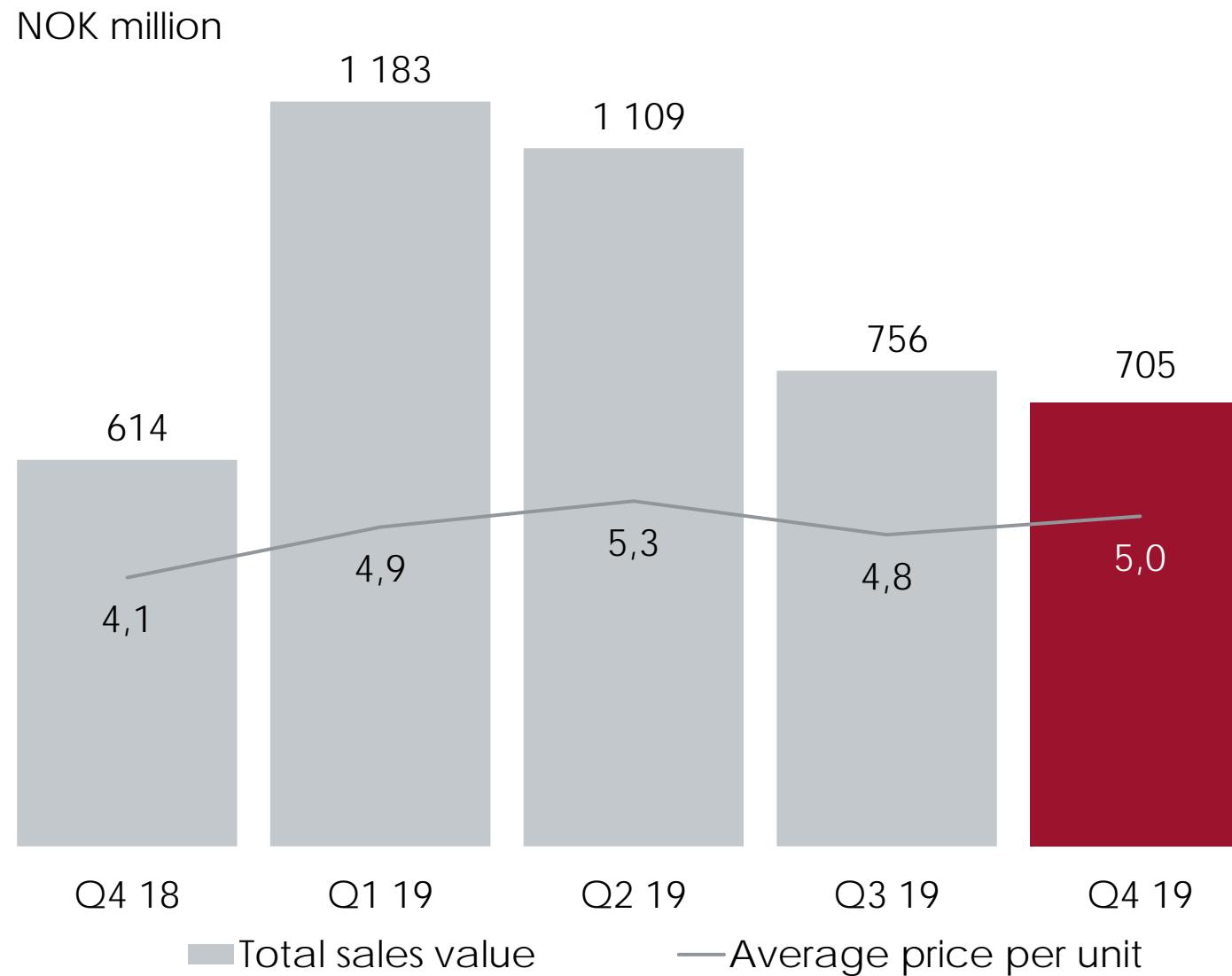
Q4 2019		Full year 2019	
1 414	28.2	3 369	28.5
Operating revenues	Adjusted EBITDA* margin	Operating revenues	Adjusted EBITDA* margin
NOK million	Per cent	NOK million	Per cent
1 062	21.9	3 260	23.6
Operating revenues (NGAAP)	EBITDA** margin (NGAAP)	Operating revenues (NGAAP)	EBITDA** margin (NGAAP)
NOK million	Per cent	NOK million	Per cent

\* EBITDA is profit before interest, taxes, depreciation and amortization. EBITDA adjusted is excluding financial expenses included in project costs

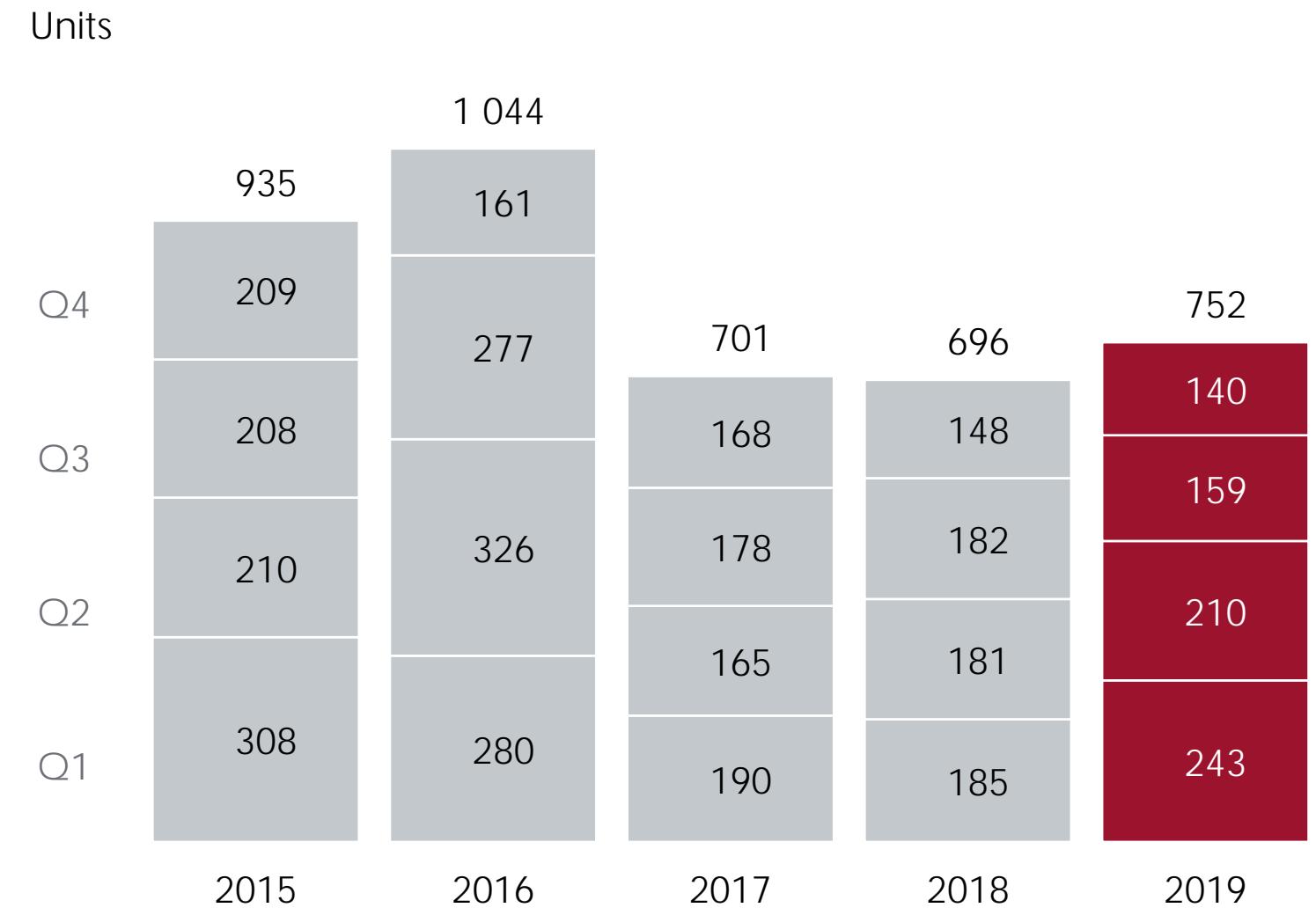
\*\* EBITDA is operating profit before depreciation, gains (losses) and profit from associated companies

# Sales value and units sold

## Total and average sales value



## # of units sold per quarter and full-year

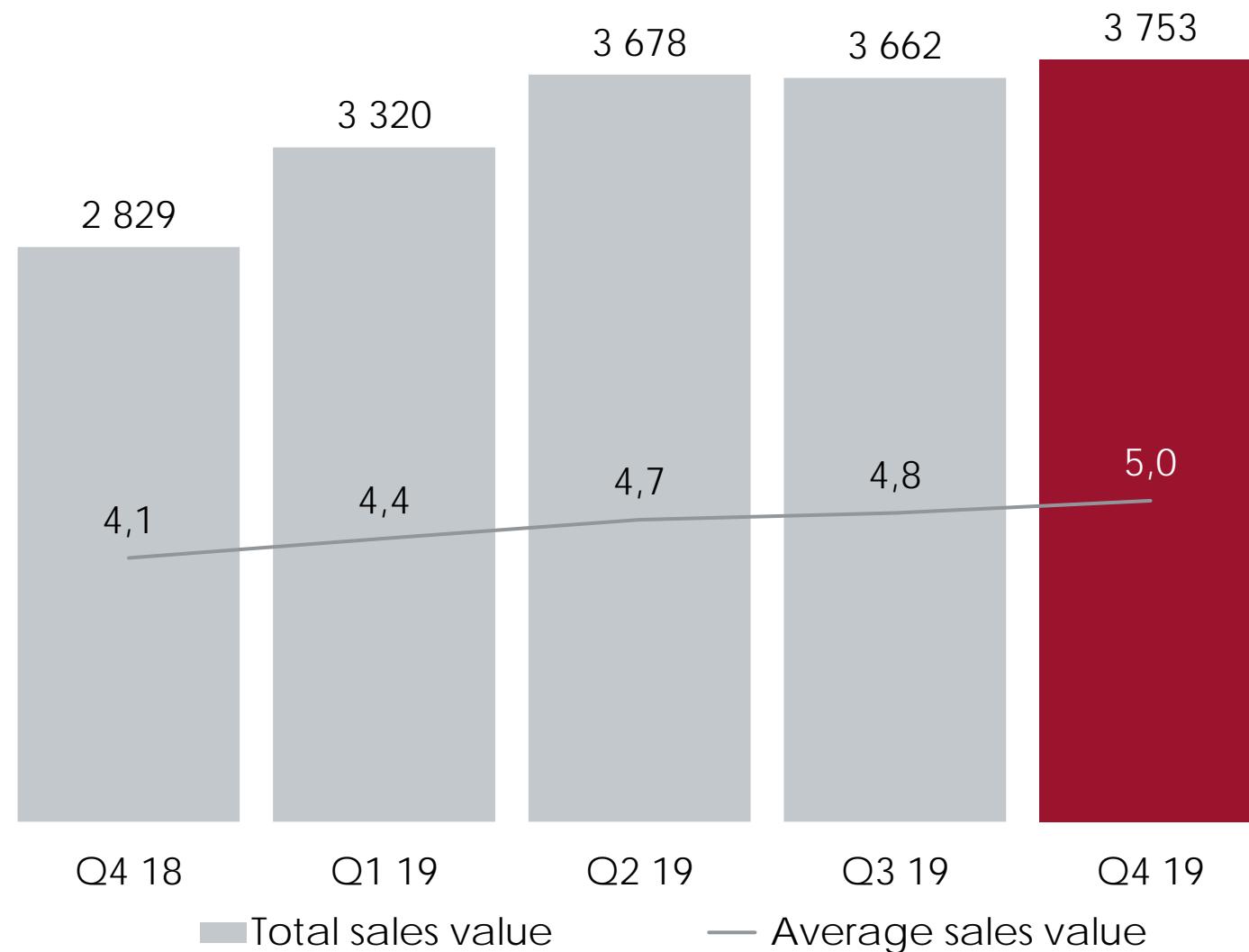


Note: Sales value is adjusted for Selvaag Bolig's share in joint ventures

# Rolling sales value and units sold

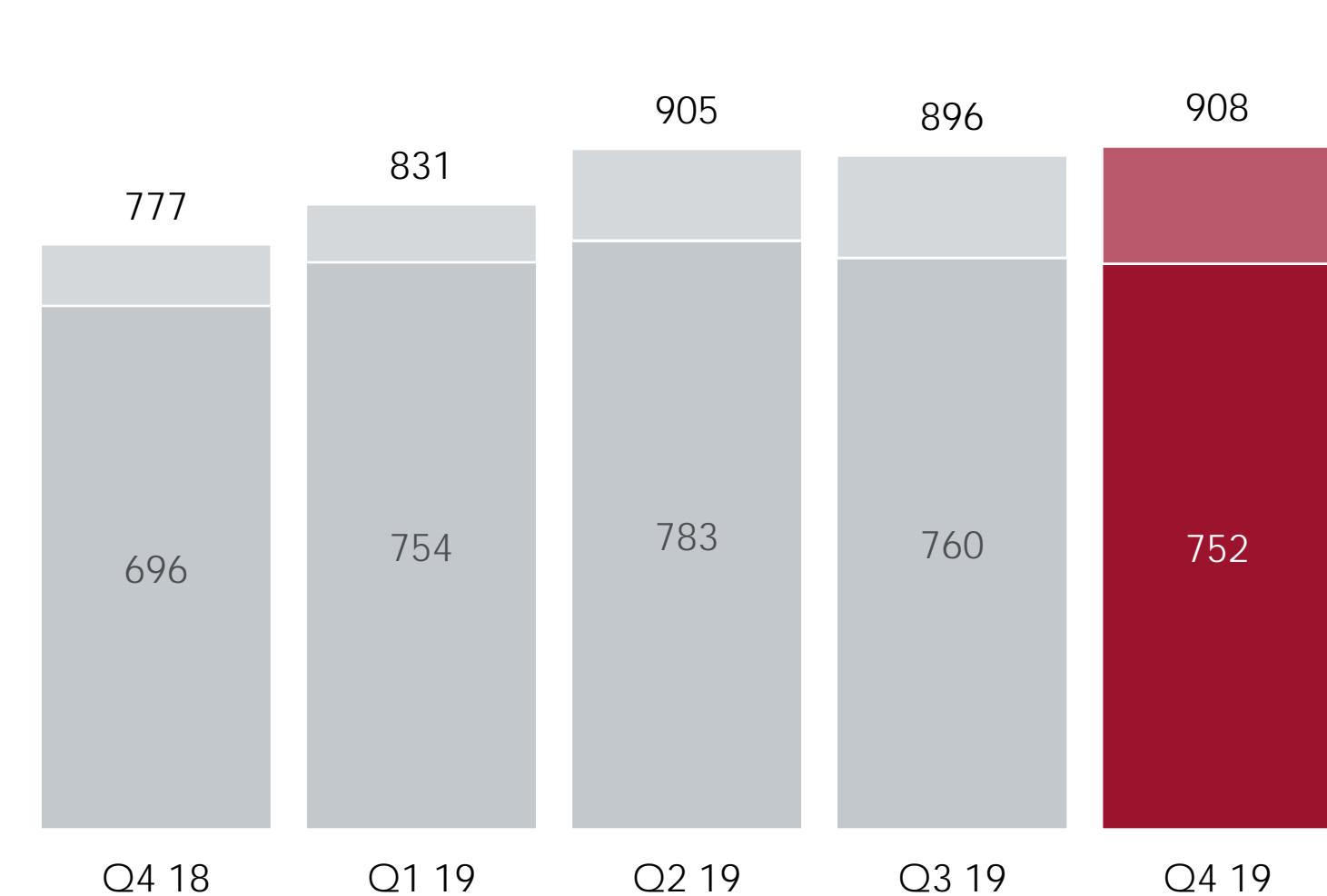
## Sales value 12 months rolling

NOK million



## Units sold 12 months rolling\*

Units



Note: Sales value is adjusted for Selvaag Bolig's share in joint ventures

\*Total columns show Selvaag Bolig's gross sales. Columns excluding dotted areas show Selvaag Bolig's net sales

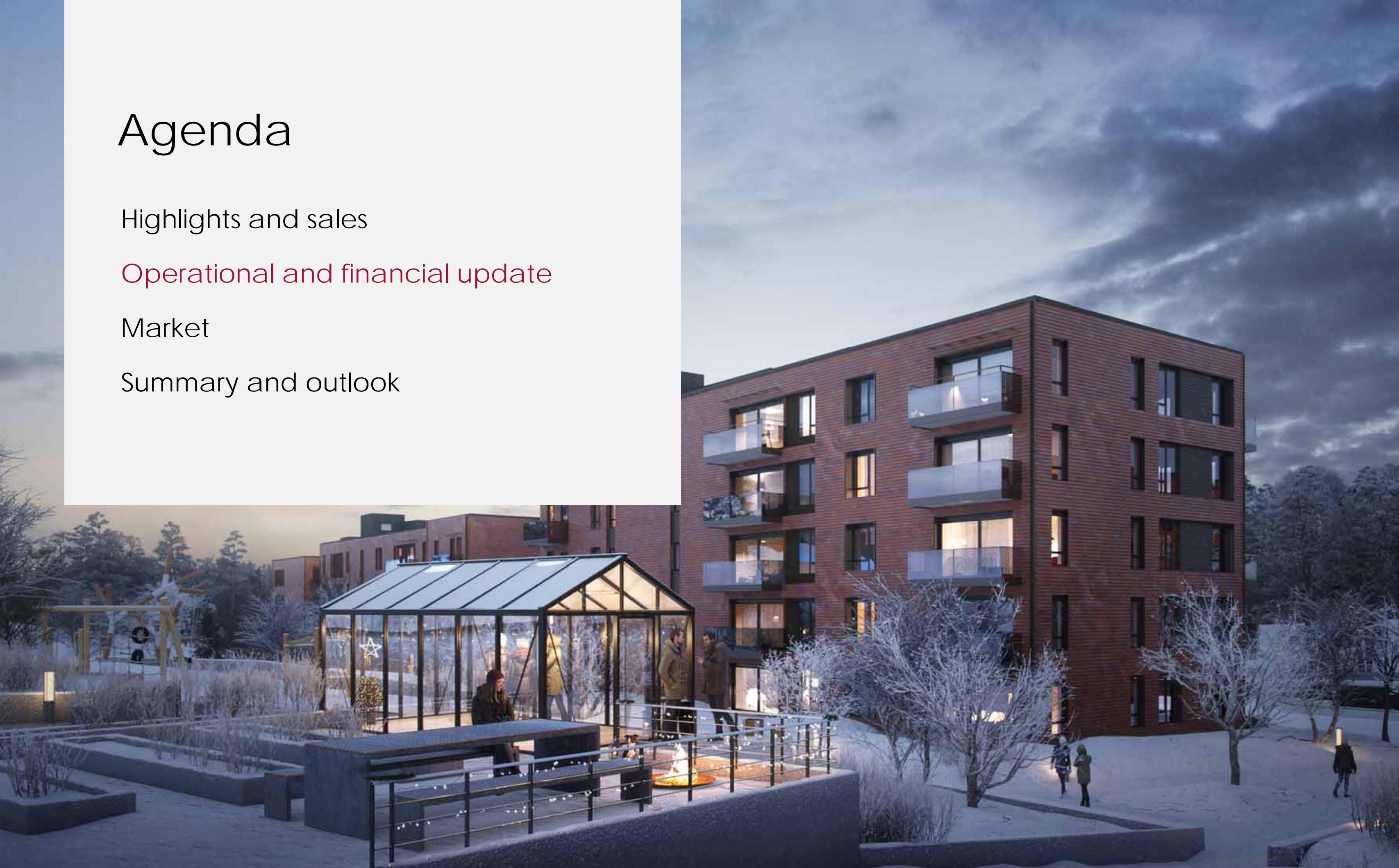
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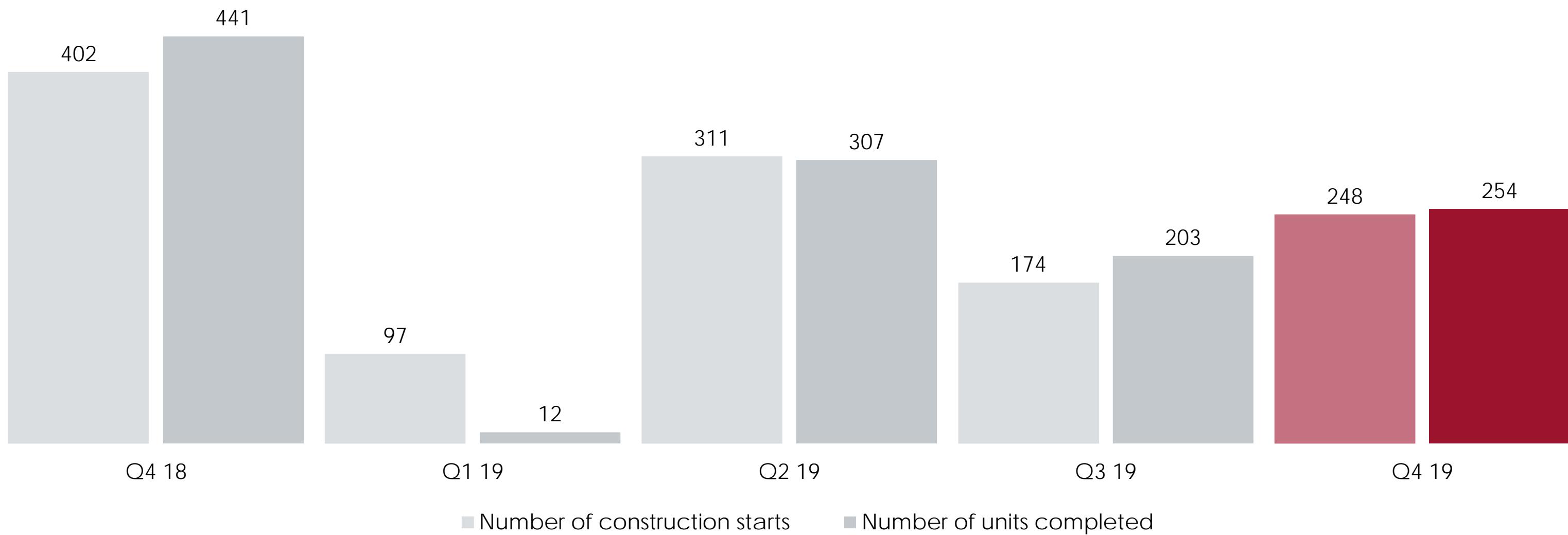
Summary and outlook



# Construction starts and completions

## Construction starts and completions per quarter

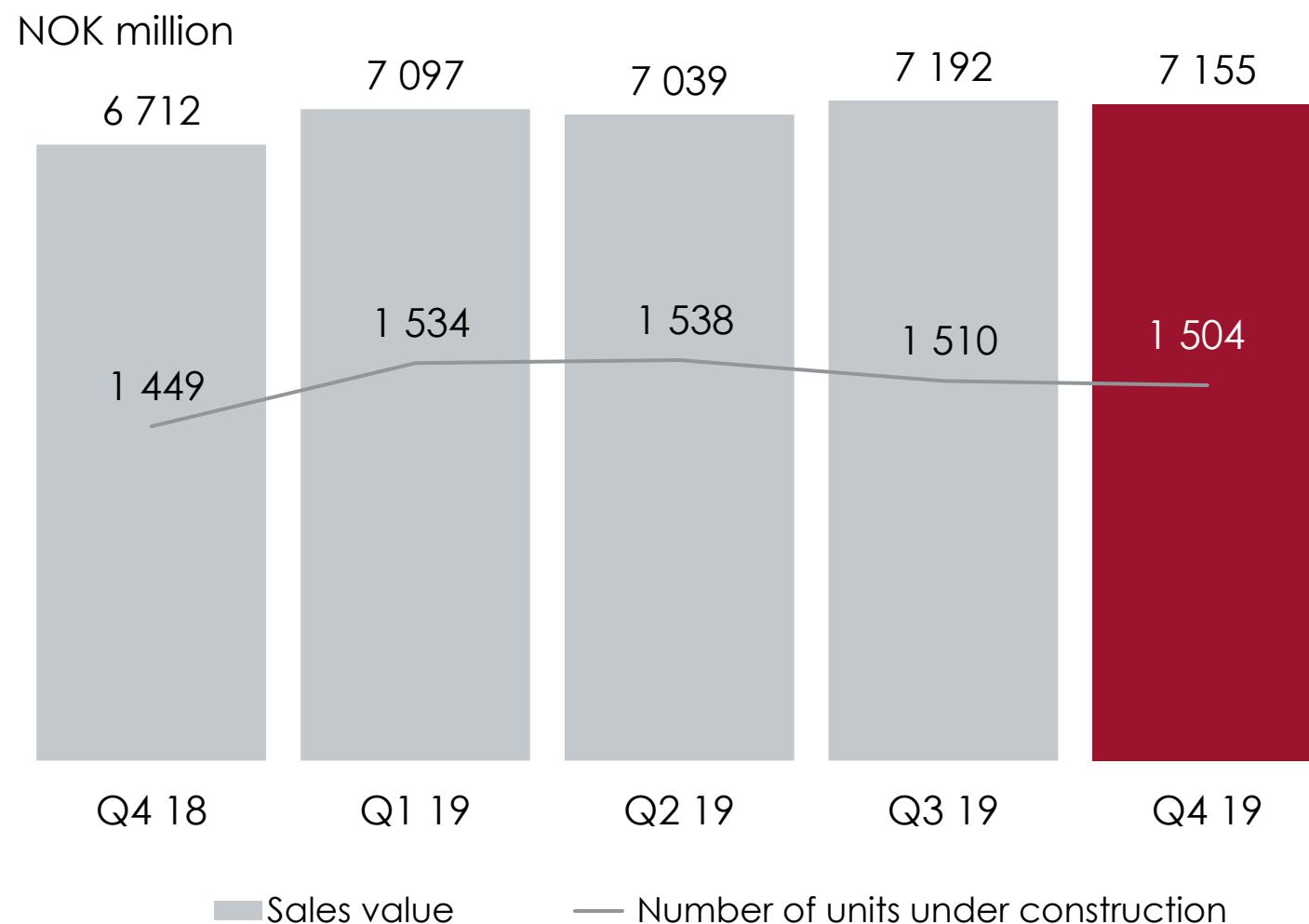
Units



Note: Number of units are adjusted for Selvaag Bolig's share in joint ventures

# Units under construction and completions

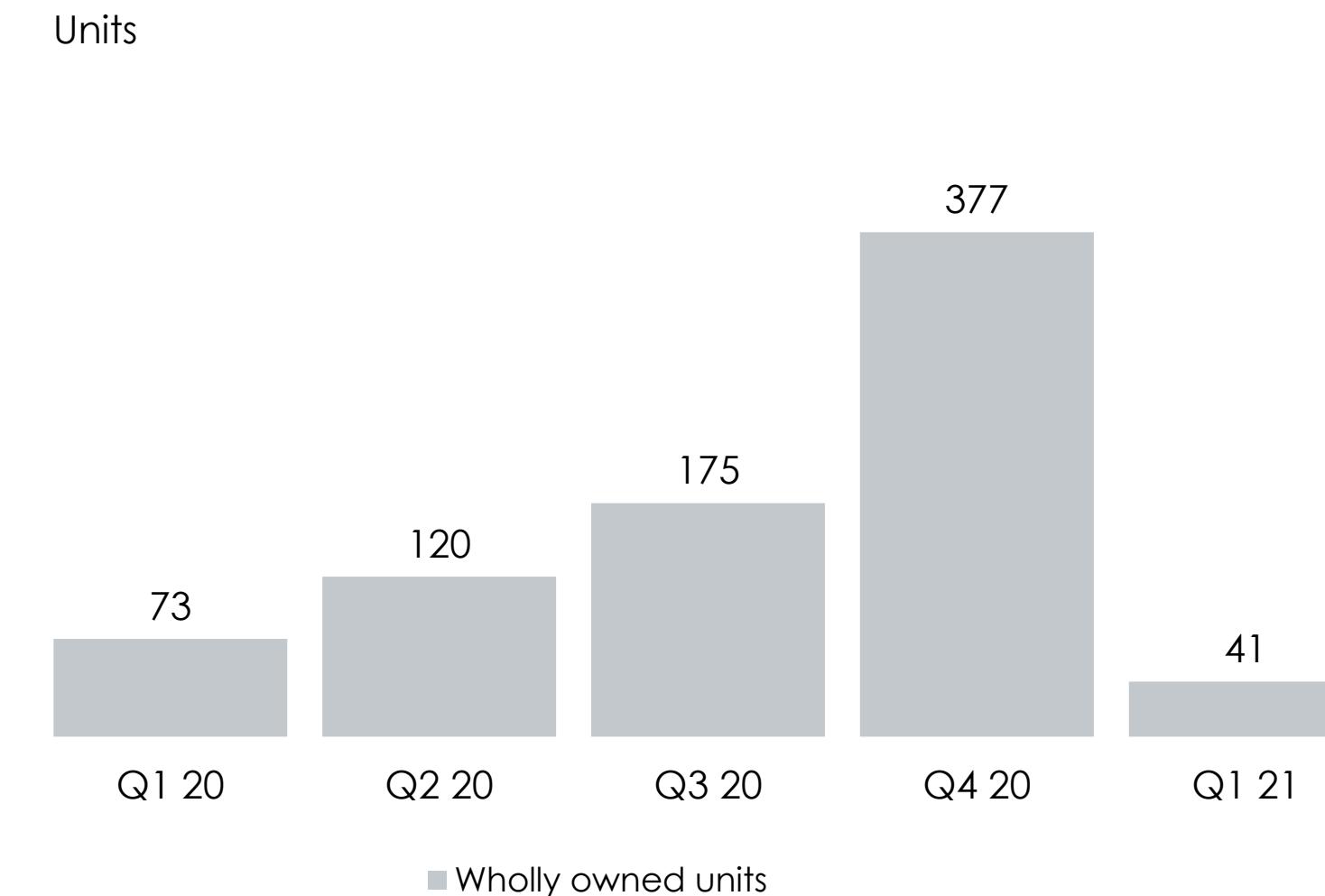
## Sales value of units under construction



- Q4 2019: 70% of units under construction sold by Q4 2019
- Q4 2019: 91% of construction volume in Greater Oslo Area\*

Note: Sales value and number of units are adjusted for Selvaag Bolig's share in joint ventures  
\* Includes: Oslo, Lørenskog, Follo, Tønsberg, Asker

## Expected completions per quarter

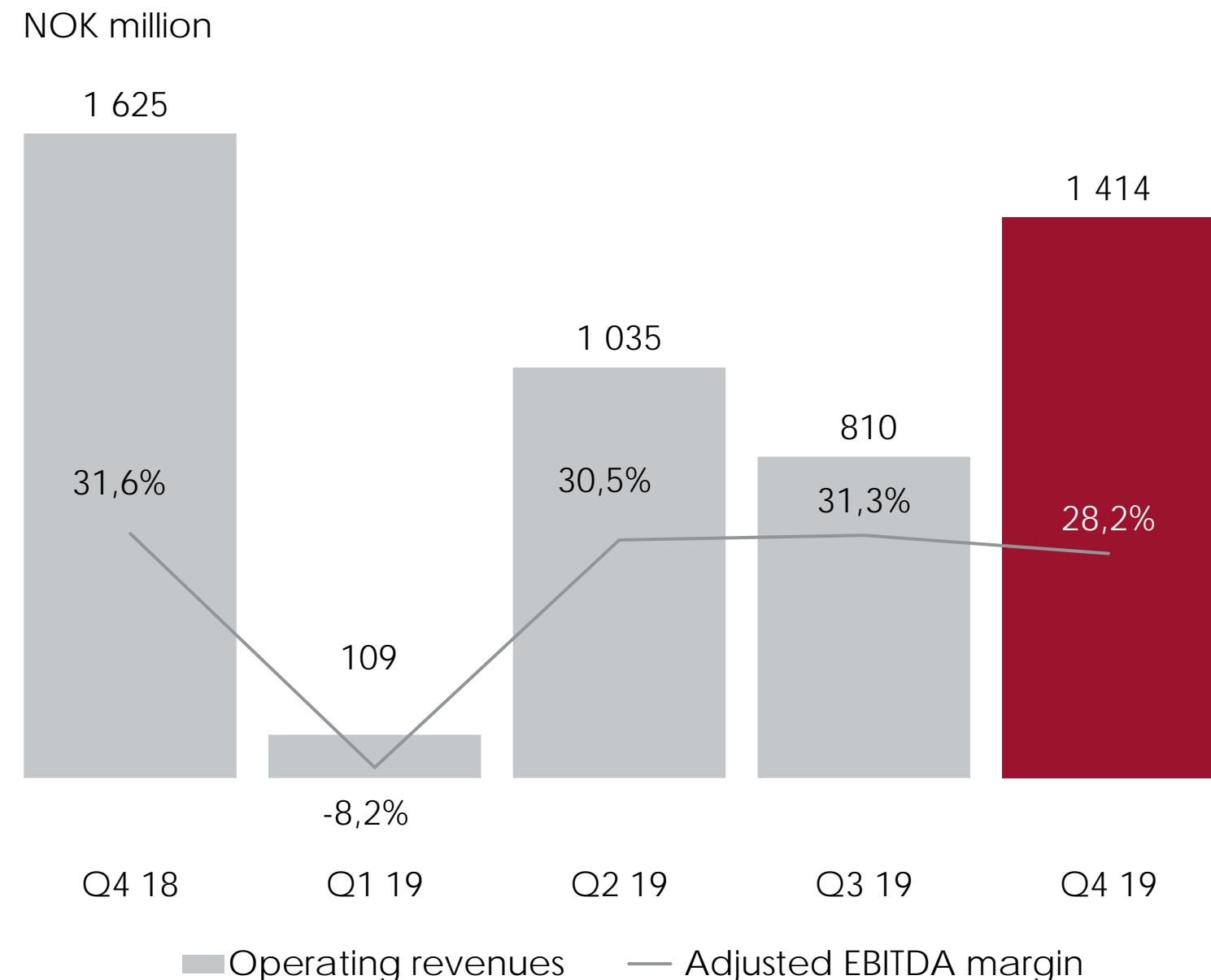


- Expected completions for the full year 2020: 745 units
  - 75% of 2020 completions sold by Q4 2019

# Income statement highlights Q4 2019 (IFRS)

- 214 units delivered (421)
- Revenues NOK 1 414m (1 625)
  - Units delivered NOK 1 069m (1 596)
  - Revenues from sale of property NOK 320m (0)
  - Other revenues NOK 26m (29)
- Project costs NOK 937m (1 127)
  - Of which NOK 23m is interest (42)
- Other costs NOK 92m (83)
- Salaries, sales and marketing
- Adjusted EBITDA NOK 398m (513)
  - Adjusted for financial expenses included in project costs
- EBITDA NOK 375m (472)
- EPS in the quarter NOK 3.00 (3.93)
- Proposes dividend of NOK 3.00 per share for 2H 2019

## Revenues and adjusted EBITDA margin (IFRS)



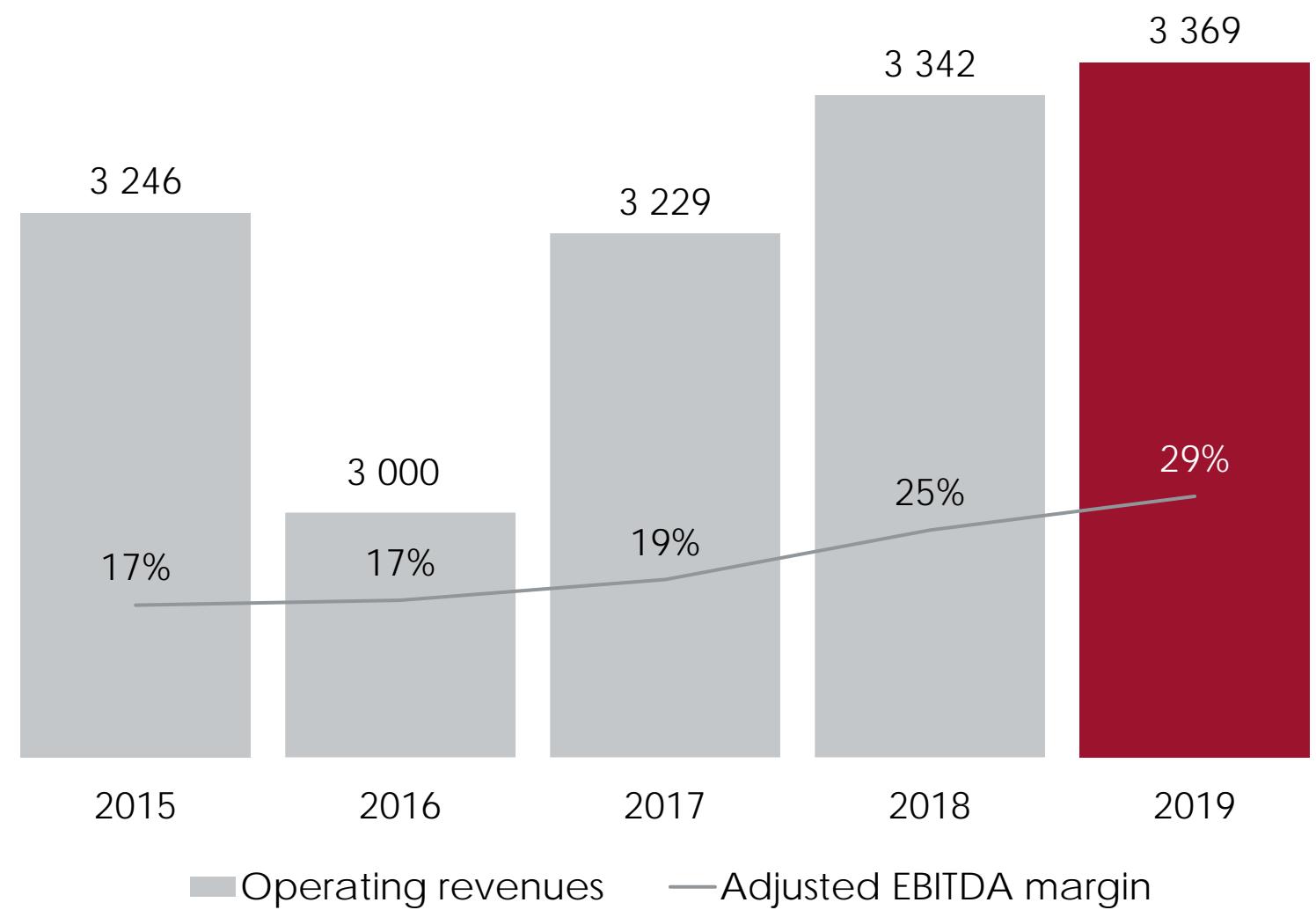
Note: EBITDA is profit before interest, taxes, depreciation and amortization. EBITDA adjusted is excluding financial expenses included in project costs

# Income statement highlights FY 2019 (IFRS)

- Delivery of 732 units (849)
- Revenues NOK 3 369 (3 342)
- EBITDA adjusted 959m (827)
  - Adjusted for financial expenses included in project cost
- EBITDA NOK 877m (754)
- Earnings per share full year NOK 7.04 (6.14)

## Revenues and adjusted EBITDA margin (IFRS)

NOK million

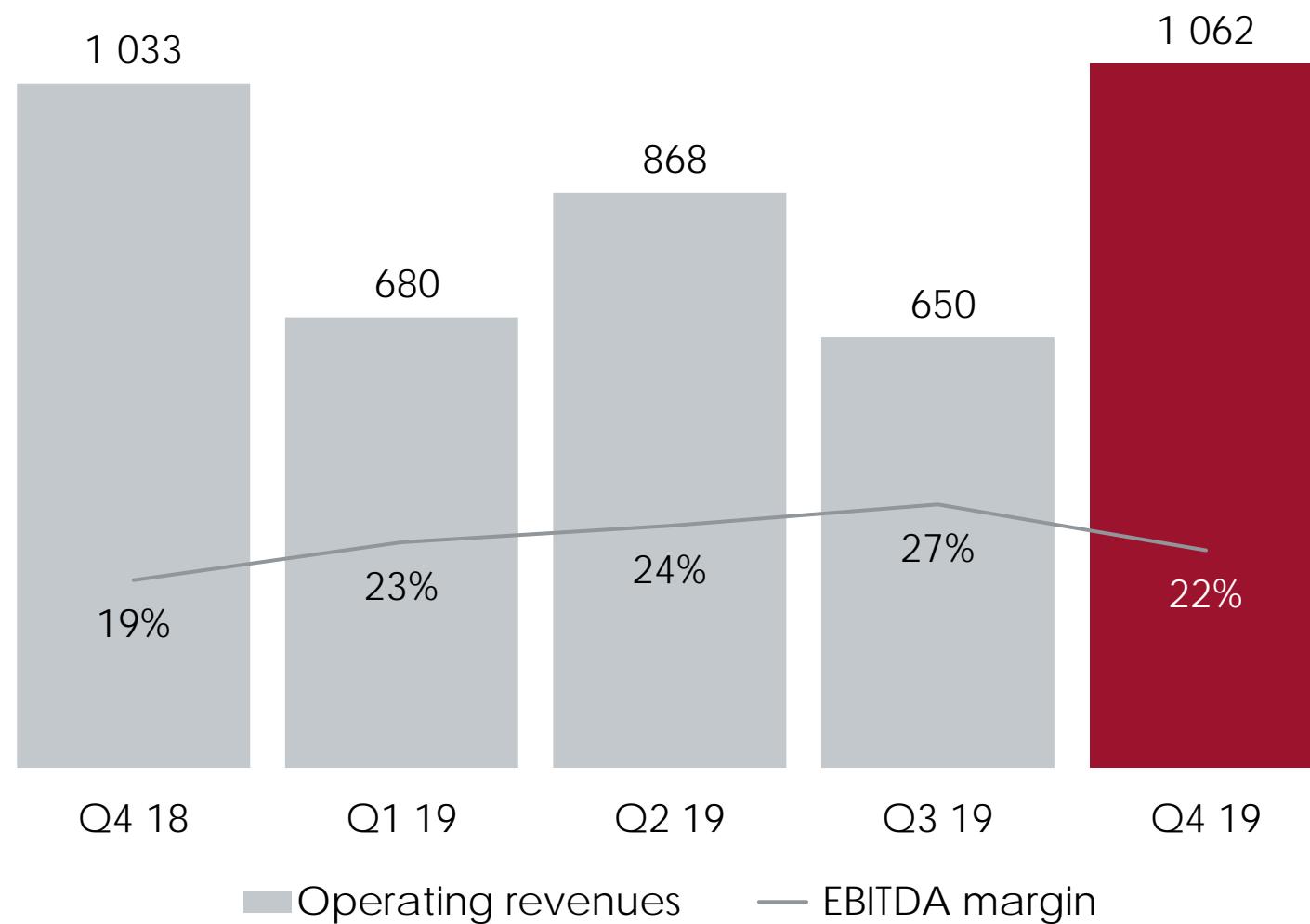


Note: EBITDA is profit before interest, taxes, depreciation and amortization. EBITDA adjusted is excluding financial expenses included in project costs

# Income statement highlights Q4 2019 (NGAAP)

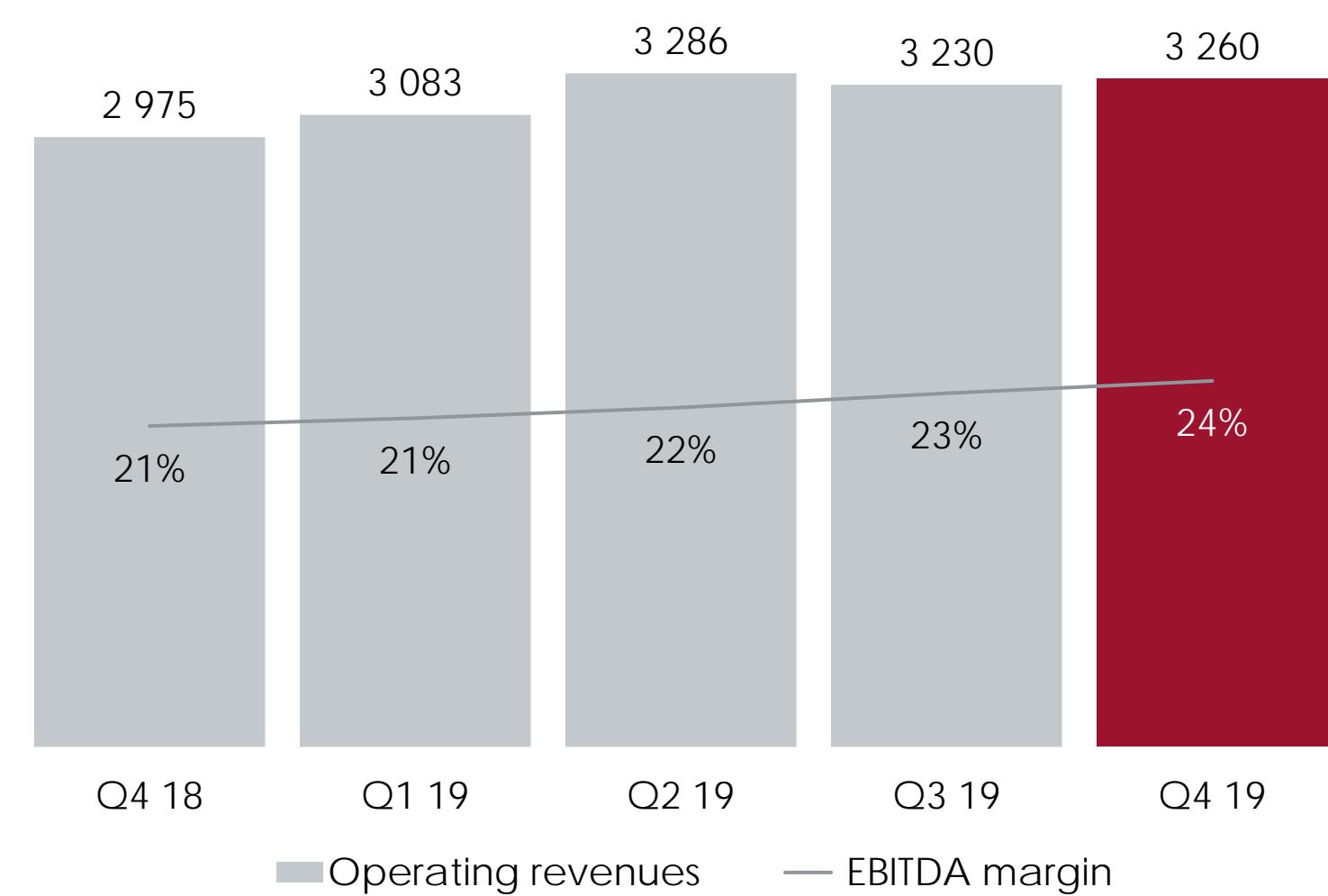
## Revenues and EBITDA margin (NGAAP)\*

NOK million



## 12 months rolling revenues (NGAAP)\*

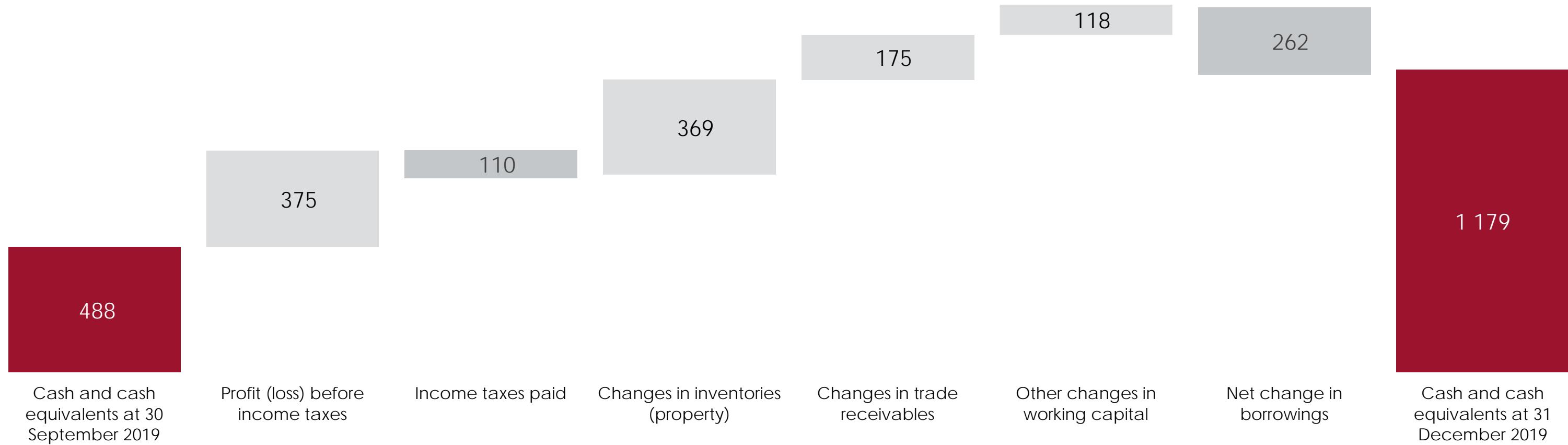
NOK million



\* Construction costs are exclusive of financial expenses in the segment reporting (NGAAP)  
 Note: EBITDA is operating profit before depreciation, gains (losses) and profit from associated companies

# Cash flow development Q4 2019

NOK million



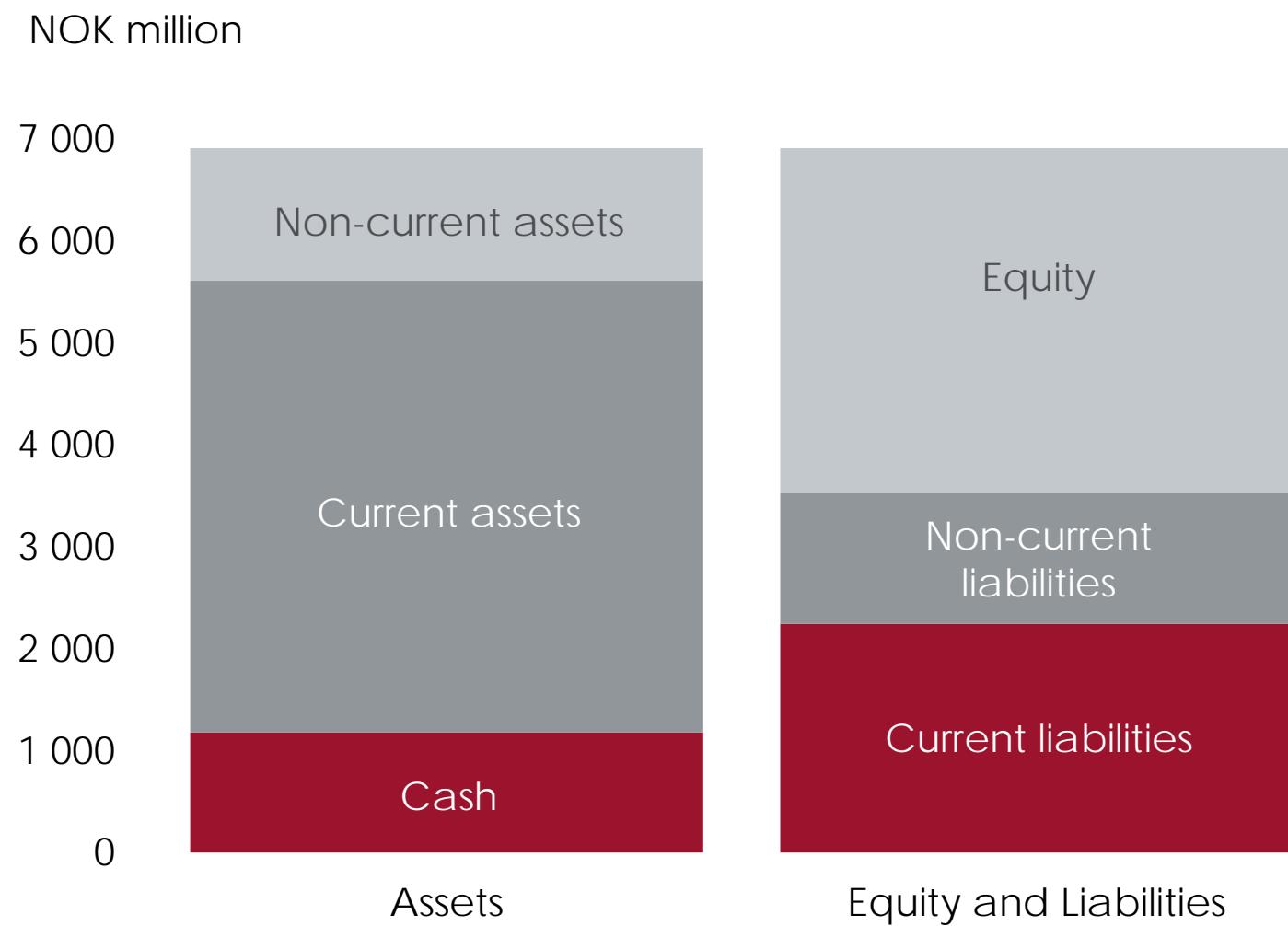
- Cash flow from operations positive at NOK 944m mainly explained by units delivered and reduced receivables
- Cash flow from investment activities negative at NOK 10m
- Cash flow from financing activities negative at NOK 243m mainly due to net decrease in loans

Note: Amounts below NOK 25m are excluded from the cash flow overview

# Balance sheet highlights Q4 2019

- Book value of equity increased to NOK 36.0 per share
  - Equity ratio up to 48.9%
- Changes from Q3 2019
  - Inventories decreased by NOK 1 018m
    - Of which NOK 633m reclassified to assets held for sale
  - Trade receivables decreased by NOK 175m
  - Cash increased by NOK 690m
- Prepayments from customers account for NOK 207m of other current non-interest-bearing liabilities

## Balance sheet composition



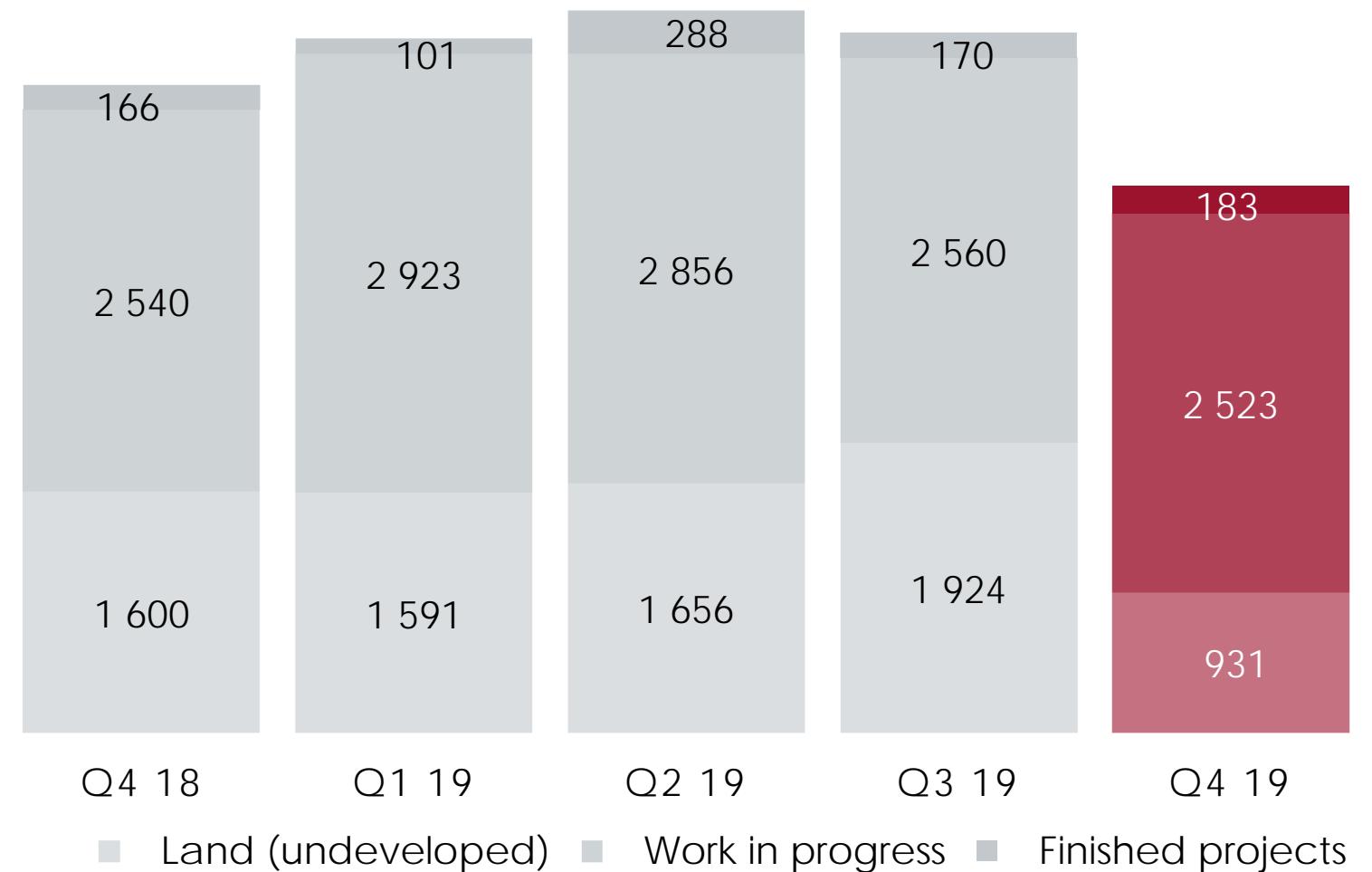
# Inventories (property) Q4 2019

## Q4 19 vs Q3 19

- Land value down NOK 993m
  - NOK 663m due reclassification to held for sale (UP transaction)
  - NOK 330m due to sale of properties and construction starts
- Work in progress down NOK 37m
- Finished goods up NOK 12m

## Inventory value development

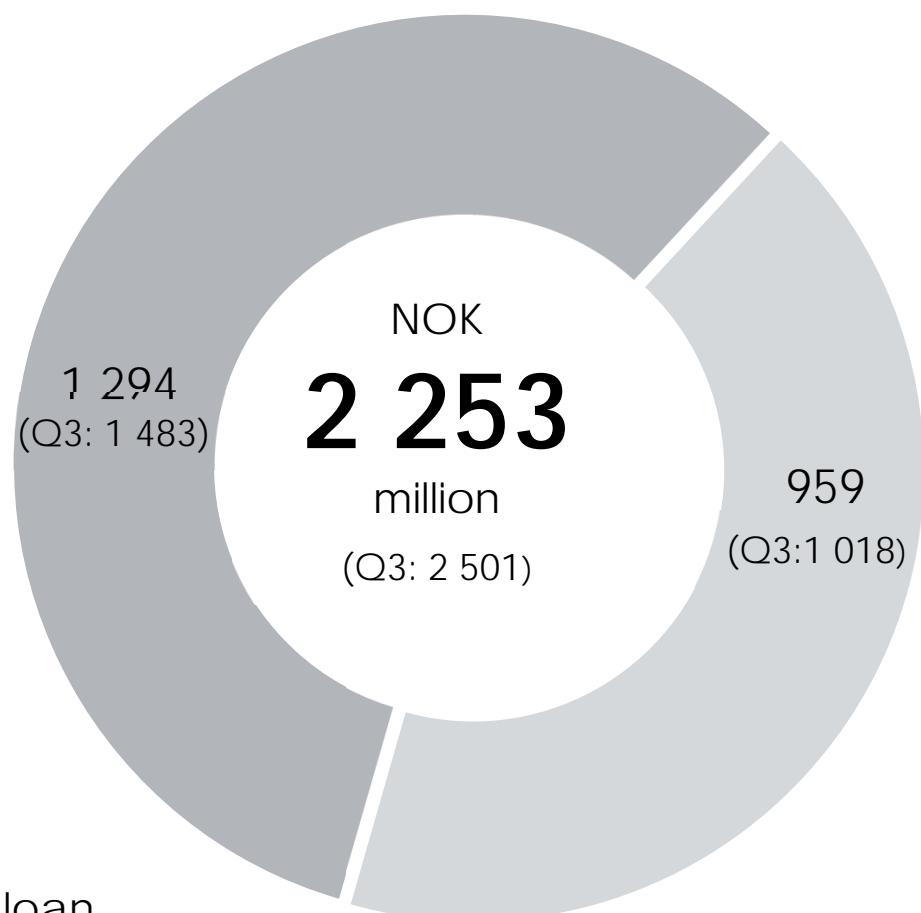
NOK million



# Debt structure

Interest-bearing debt as at 31 December 2019

NOK million



Loan facility	Drawn at 31 Dec. (NOKm)	Interest rate margin
1 NOK 500 million revolving credit facility from DNB maturing in 2022	0	3.40%
2 NOK 150 million working capital facility from DNB maturing in 2019	0	2.00%
3 Land loan facilities from a range of Nordic credit institutions	1 294	2.00% - 2.50%
4 Construction loan facilities from a range of Nordic credit institutions	959	1.75% - 2.60%

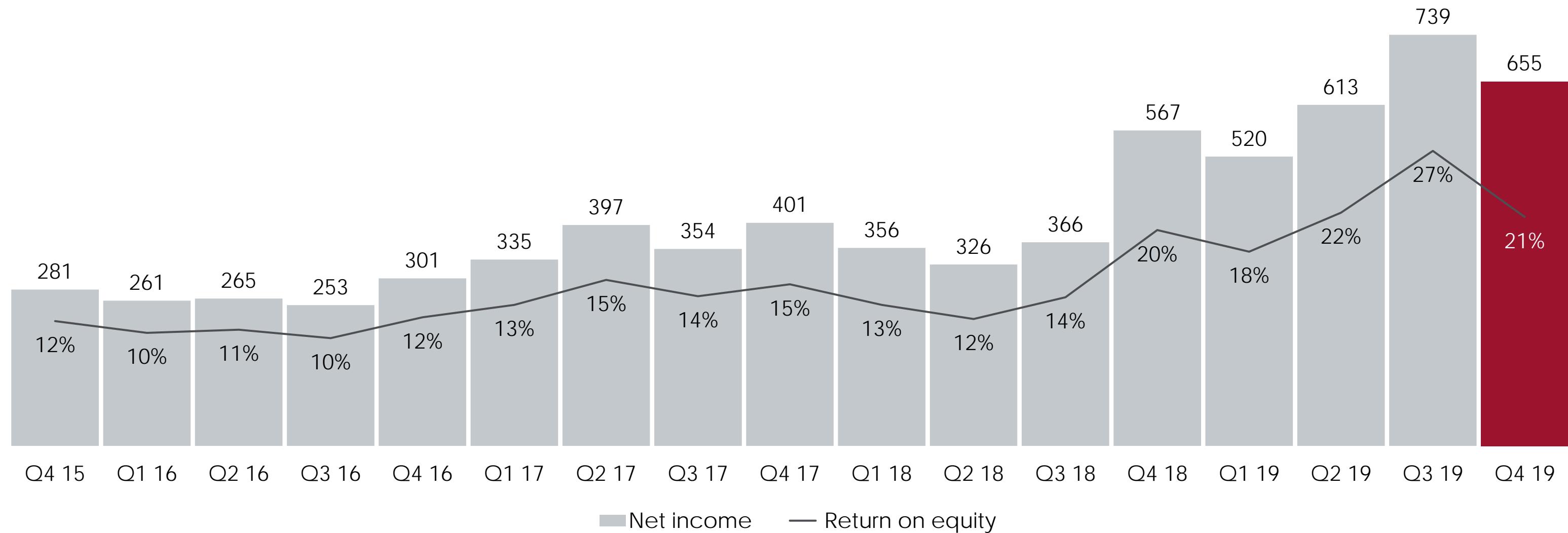
**Total Q4 2019 net interest-bearing debt NOK 1 075 million**

Total Q3 2019 net interest-bearing debt NOK 2 013 million

# Return on equity (IFRS)

12 months rolling net income (IFRS)\* and return on equity\*\*

NOK million

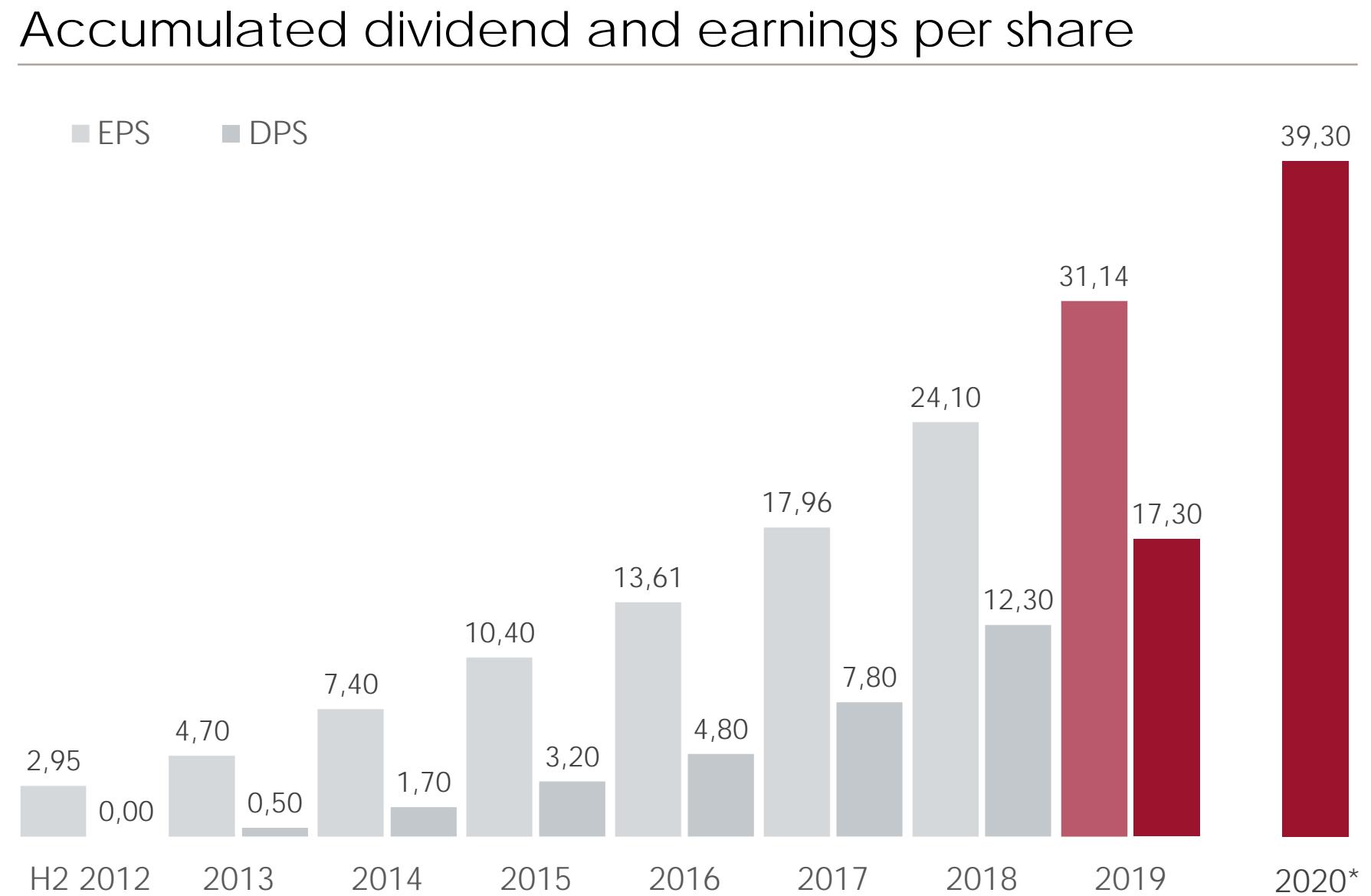


\* Net income attributable to shareholders in Selvaag Bolig ASA

\*\* Based on equity at the start of the period (attributed to shareholders in Selvaag Bolig ASA)

# Earnings and dividend per share since IPO

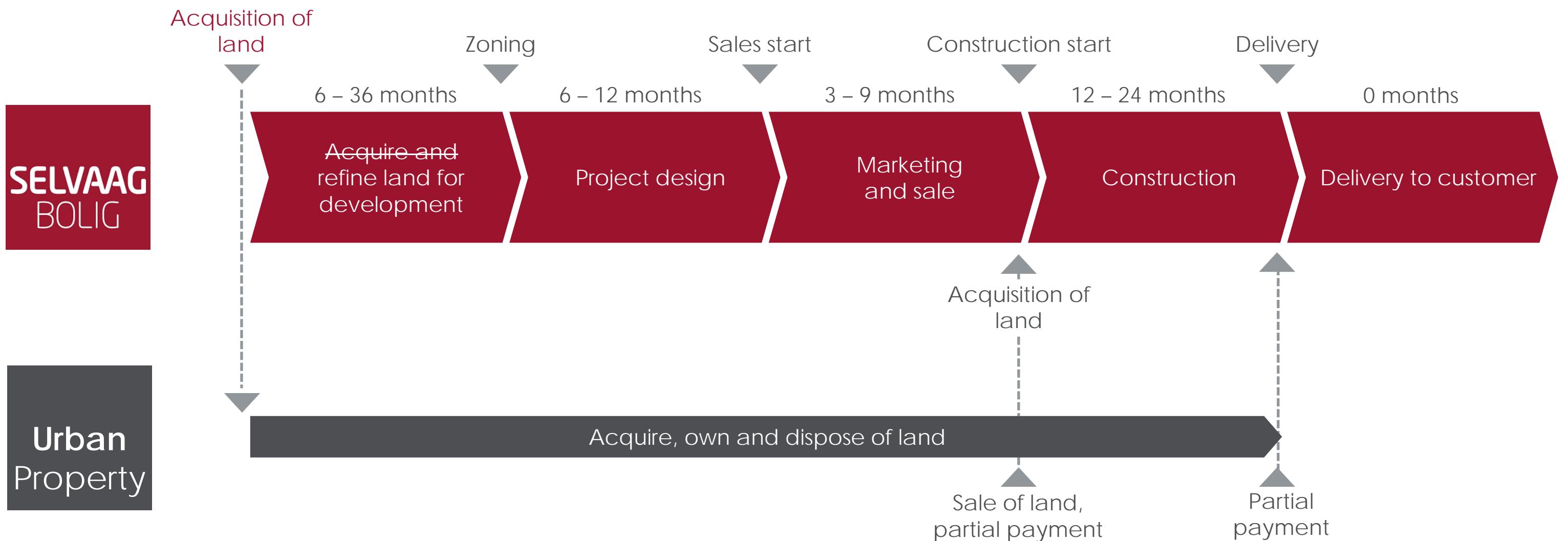
- FY 2019 EPS of NOK 7.04 (6.14)
- FY 2019 DPS of NOK 5.00 (4.50)
  - H1 2019 DPS of NOK 2.00
  - Proposed H2 2019 dividend of NOK 3.00 per share
- 2020 EO DPS of NOK 22.00
- Dividend policy unchanged



\* EO dividend of NOK 22 per share paid on 31 January 2020

# Reduced capital binding in practice, in effect no equity needed in Selvaag Bolig for land

Residential development value chain: cooperation between Selvaag Bolig and Urban Property



# Example project calculations before and after

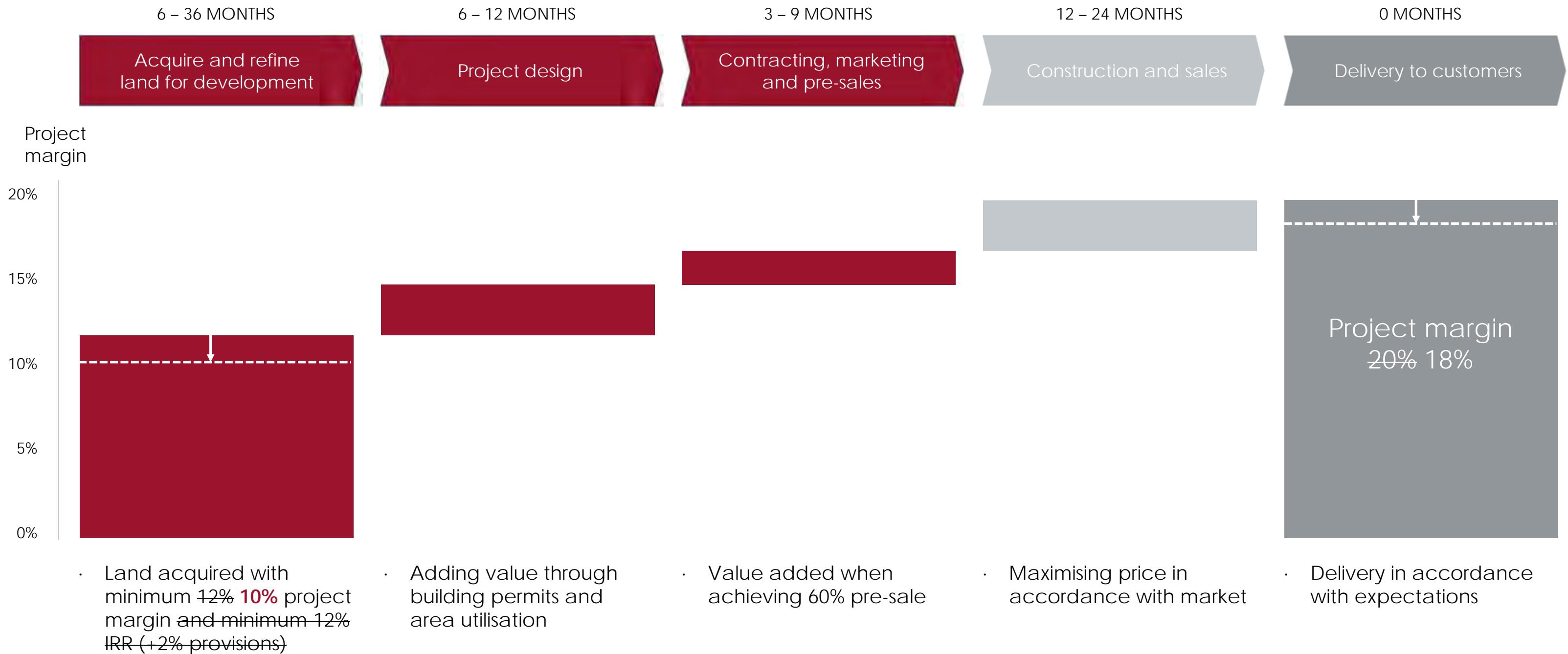
	1	PROJECT CALCULATIONS BEFORE URBAN PROPERTY		2	PROJECT CALCULATIONS AFTER URBAN PROPERTY	
		MNOK	%		MNOK	%
Figures for illustration purposes only						
Sales revenue		348.5	100.0%		348.5	100.0%
Construction cost		195.8	56.2%		195.8	56.2%
Land cost		69.7	20.0%		85.2	24.4%
Other costs		24.5	7.0%		24.5	7.0%
<b>Project cost</b>		<b>290.0</b>	<b>83.2%</b>		<b>305.5</b>	<b>87.7%</b>
Net finance (excluding Urban Property)		16.8	4.8%		5.3	1.5%
<b>TOTAL REVENUE</b>		<b>348.5</b>	<b>100.0%</b>		<b>348.5</b>	<b>100.0%</b>
<b>TOTAL COST</b>		<b>306.8</b>	<b>88.0%</b>		<b>310.9</b>	<b>89.2%</b>
<b>PROFIT</b>		<b>41.7</b>	<b>12.0 %</b>		<b>37.7</b>	<b>10.8%</b>
<b>Internal rate of return (IRR)</b>			<b>12.2%</b>			<b>28.0%</b>

- 1 Initial project margin and IRR before Urban Property when purchasing land at market value
- 2 Initial project margin and IRR with Urban Property as partner when purchasing land at market value (including option premium)

→ In total marginal lower project margins, but significantly increased IRR and RoE

Example apply a land ownership period in Urban Property of 3-4 years, and a finance cost of 4% on all capital employed in the project

# Project margin will somewhat deflate\* but higher IRR and less/no equity bound in land



\* Assuming flat market development

# Balance sheet implications and effects of EO dividend

<b>Statements of financial position</b> (figures in MNOK)	<b>Reported</b> Q4 2019	<b>Transaction</b>		<b>Pro forma</b> Q4 2019
		Sale	Dividend	
<b>Assets</b>				
Investments in associated companies and joint ventures	430	0	0	430
Loans to associated companies and joint ventures	130	(59)	0	71
Other non-current assets	741	(143)	0	598
Total non-current assets	1 301	(202)	0	1 100
Inventory	4 299	(663)	0	3 637
Other current receivables	133	0	0	133
Cash and cash equivalents	1 179	1 751	-2 055	875
Total current assets	5 611	1 088	-2 055	4 645
<b>Total assets</b>	<b>6 912</b>	<b>887</b>	<b>-2 055</b>	<b>5 744</b>
<b>Equity and liabilities</b>				
Total equity	3 383	1 043	-2 055	2 371
Other non-current non interest-bearing liabilities	157	0	0	157
Non-current interest bearing liabilities	1 128	(157)	0	971
Total non-current liabilities	1 284	(157)	0	1 128
Current interest bearing liabilities	1 169	0	0	1 169
Other current non interest-bearing liabilities	1 076	0	0	1 076
Total current liabilities	2 245	0	0	2 245
Total liabilities	3 530	(157)	0	3 373
<b>Total equity and liabilities</b>	<b>6 912</b>	<b>887</b>	<b>-2 055</b>	<b>5 744</b>
<i>Equity%</i>	49%		41%	
<i>Dividend per share (NOK)</i>			22.00	

- Transaction value NOK 3 360m
- Repayment of debt NOK 1 160m
- Free liquidity from transaction ~NOK 1 800m
- EO dividend of NOK 22 per share
- Pro forma equity down ~NOK 1 000 to NOK 2 371m
  - Equity ratio 41%, down from 49%

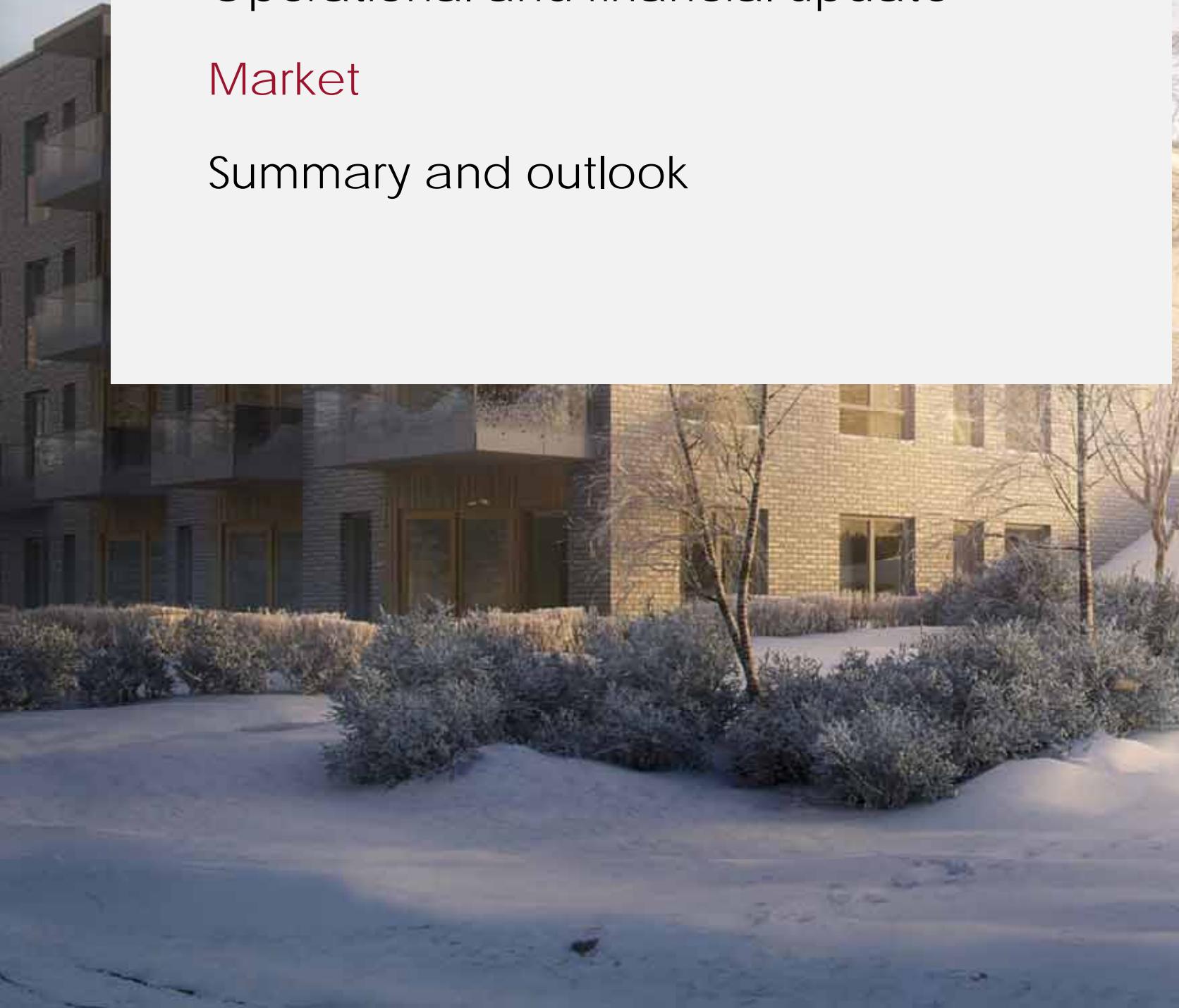
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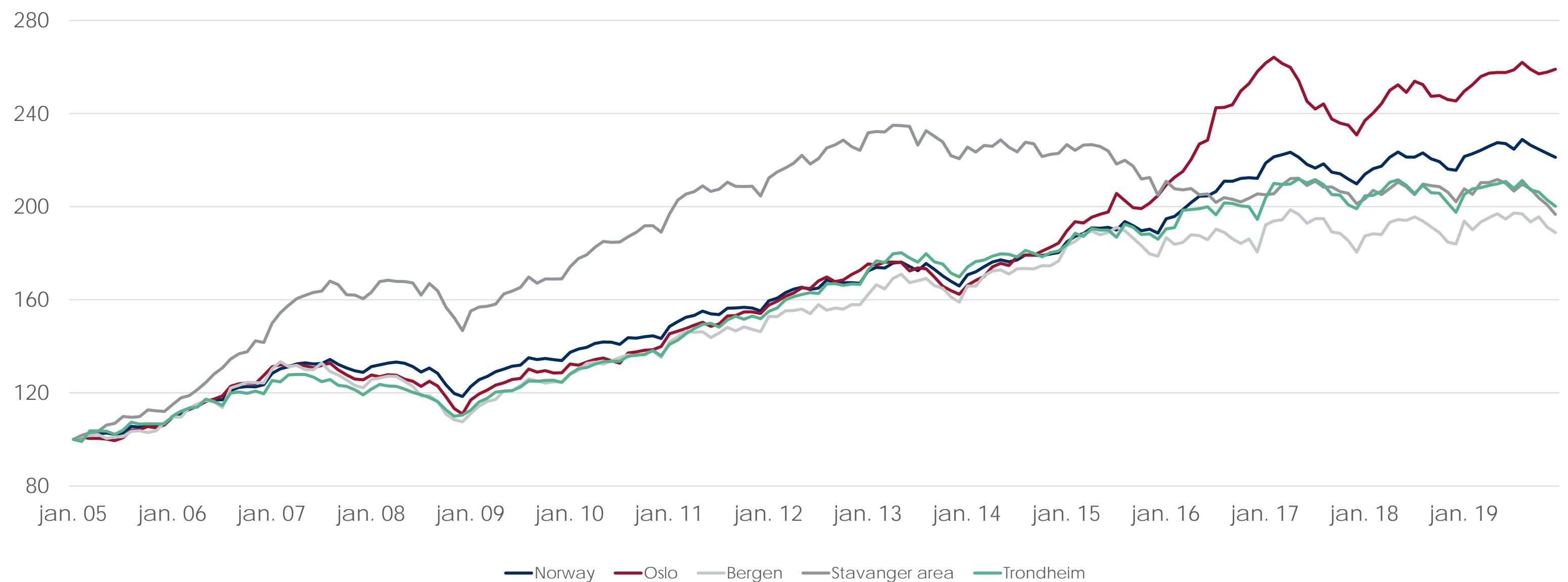
Market

Summary and outlook



# Price development Norway and selected regions (2005-19)

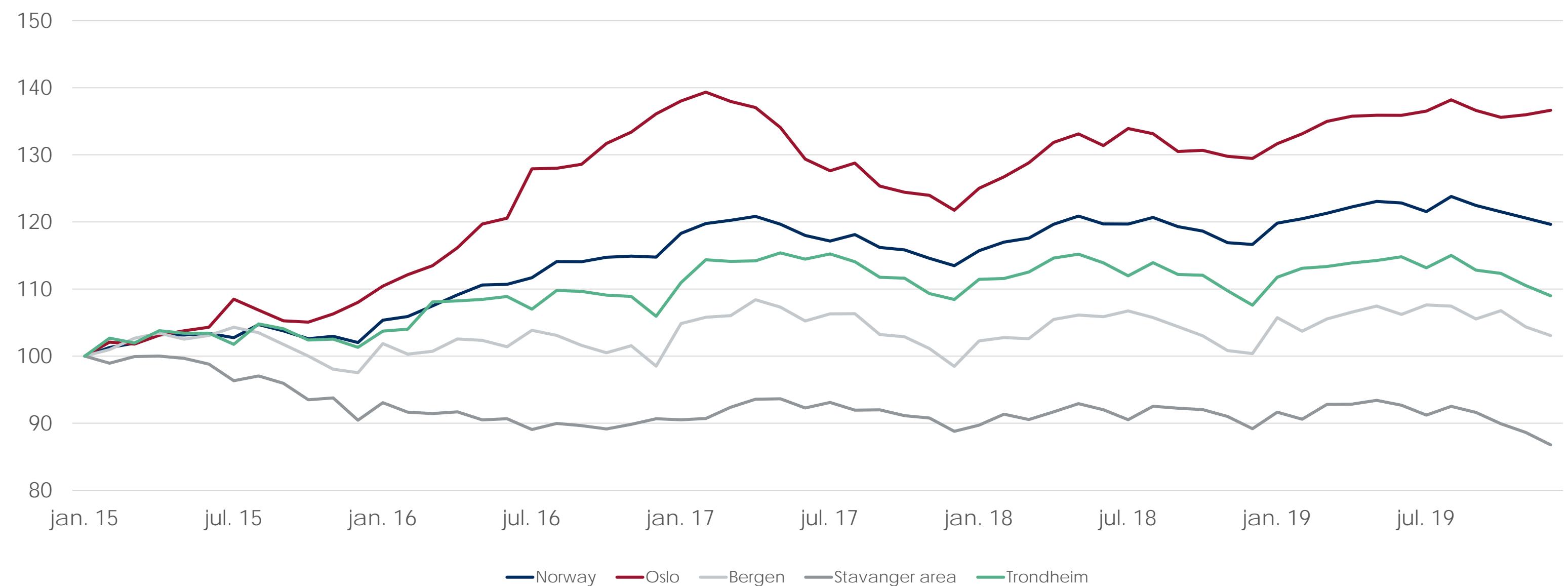
## Price development (rebased 01/01/05)



Source: Eiendomsverdi

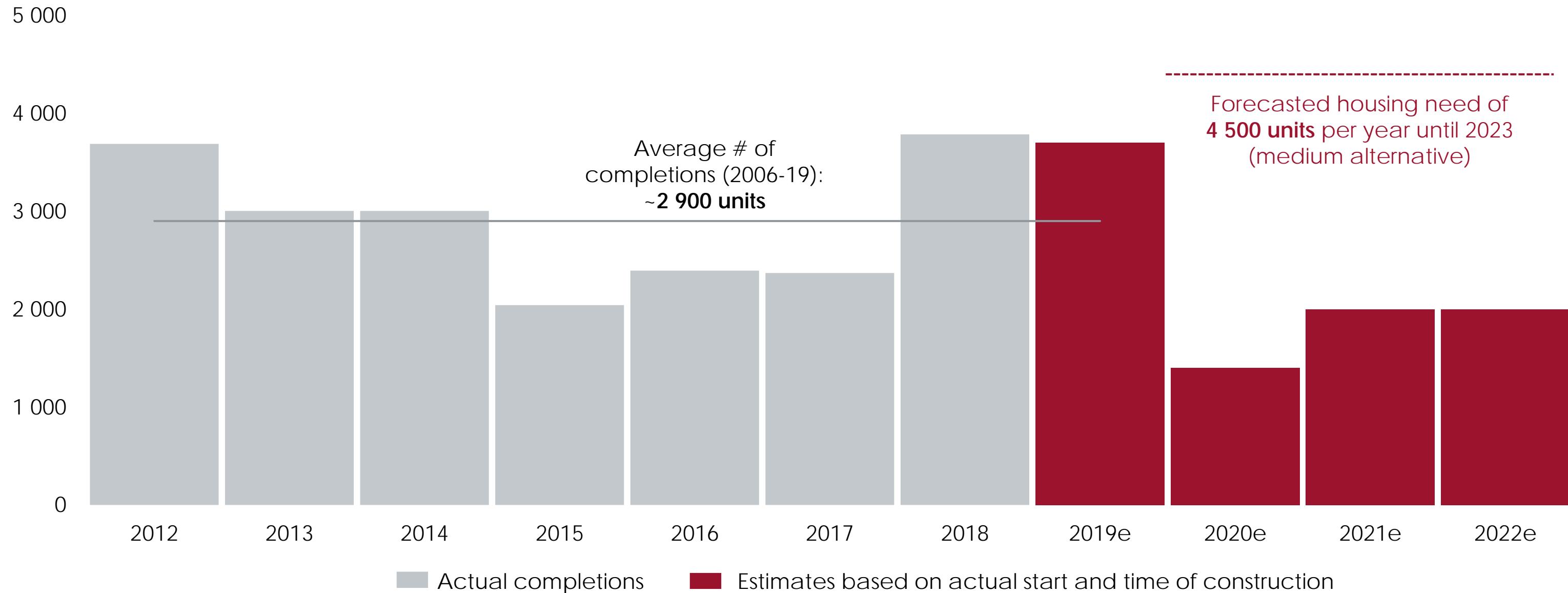
# Price development Norway and selected regions (2015-19)

## Price development (rebased 01/01/15)



Source: Eiendomsverdi

# Estimated completions well below forecasted need

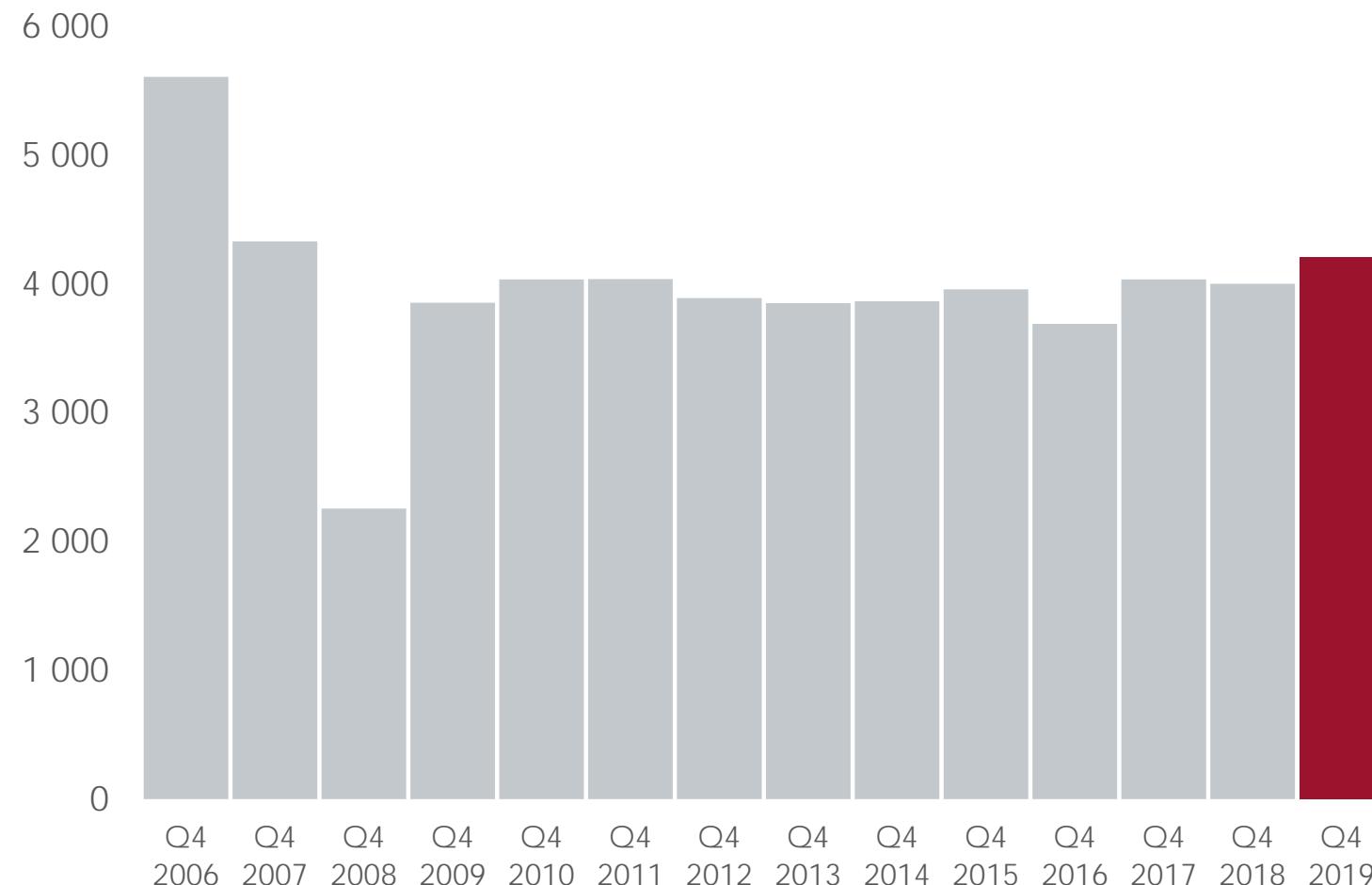


Sources: Historic data: Statistics Norway (SSB), Forecasted housing completions: Røisland, Forecasted housing need: Prognosenteret  
Note: Housing demand calculated on parameters such as number of persons per household, lag on housing development, housing demolition  
Note: Completions exclusive of student- and senior housing

# Oslo second-hand market update

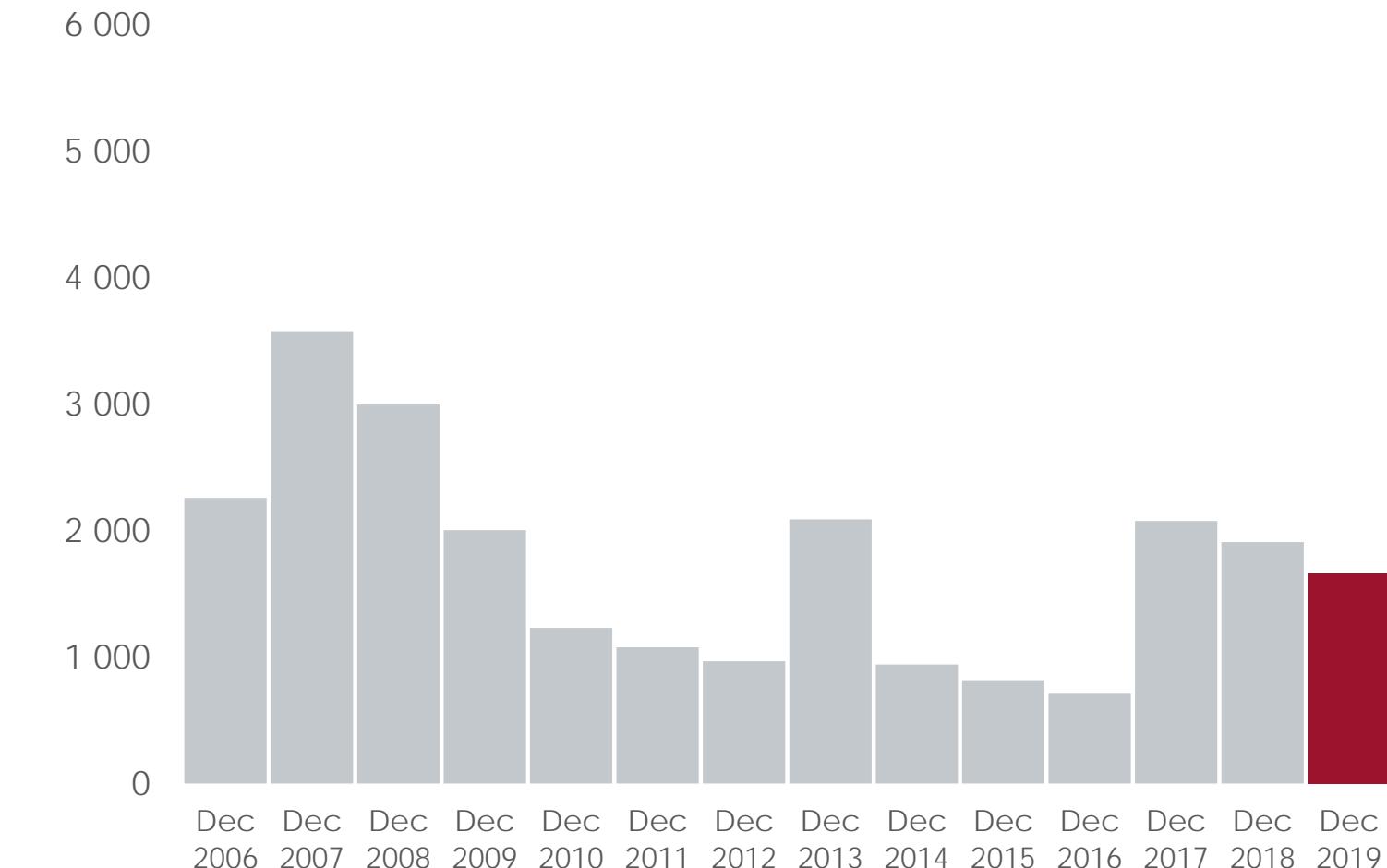
Units sold Q4 2019

Units



Inventory 31 December 2019

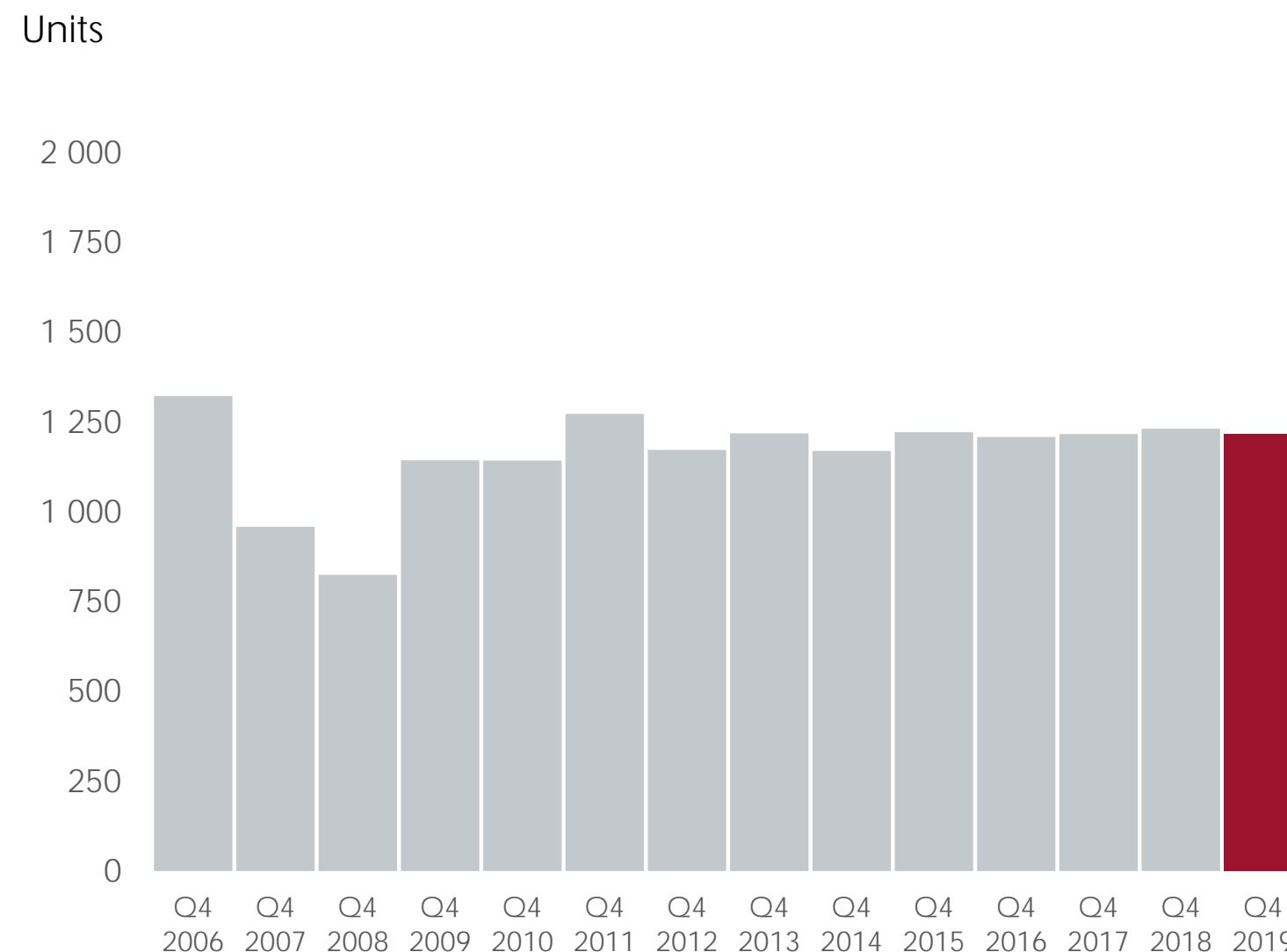
Units



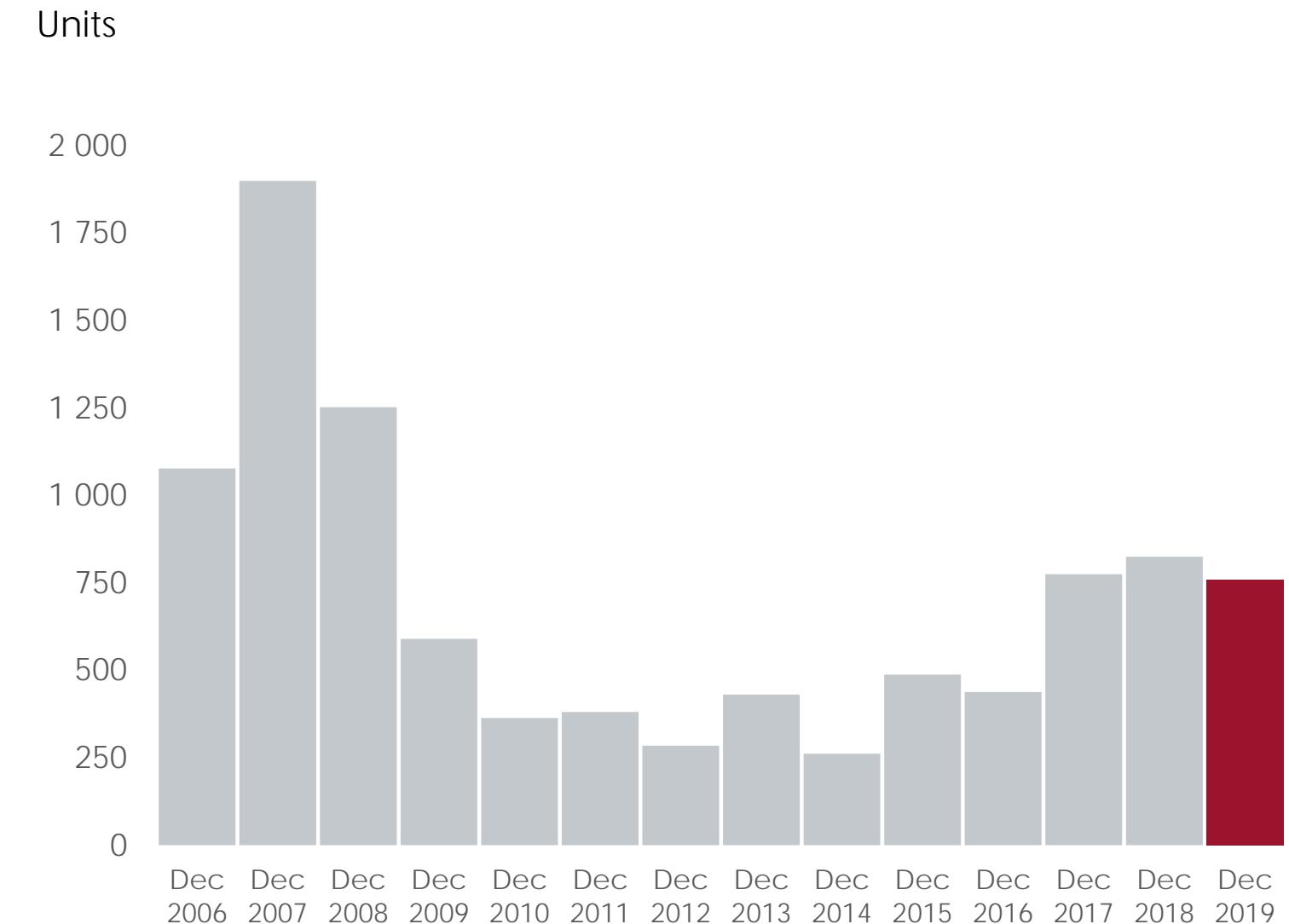
Sources: Eiendomsverdi

# Bergen second-hand market update

Units sold Q4 2019



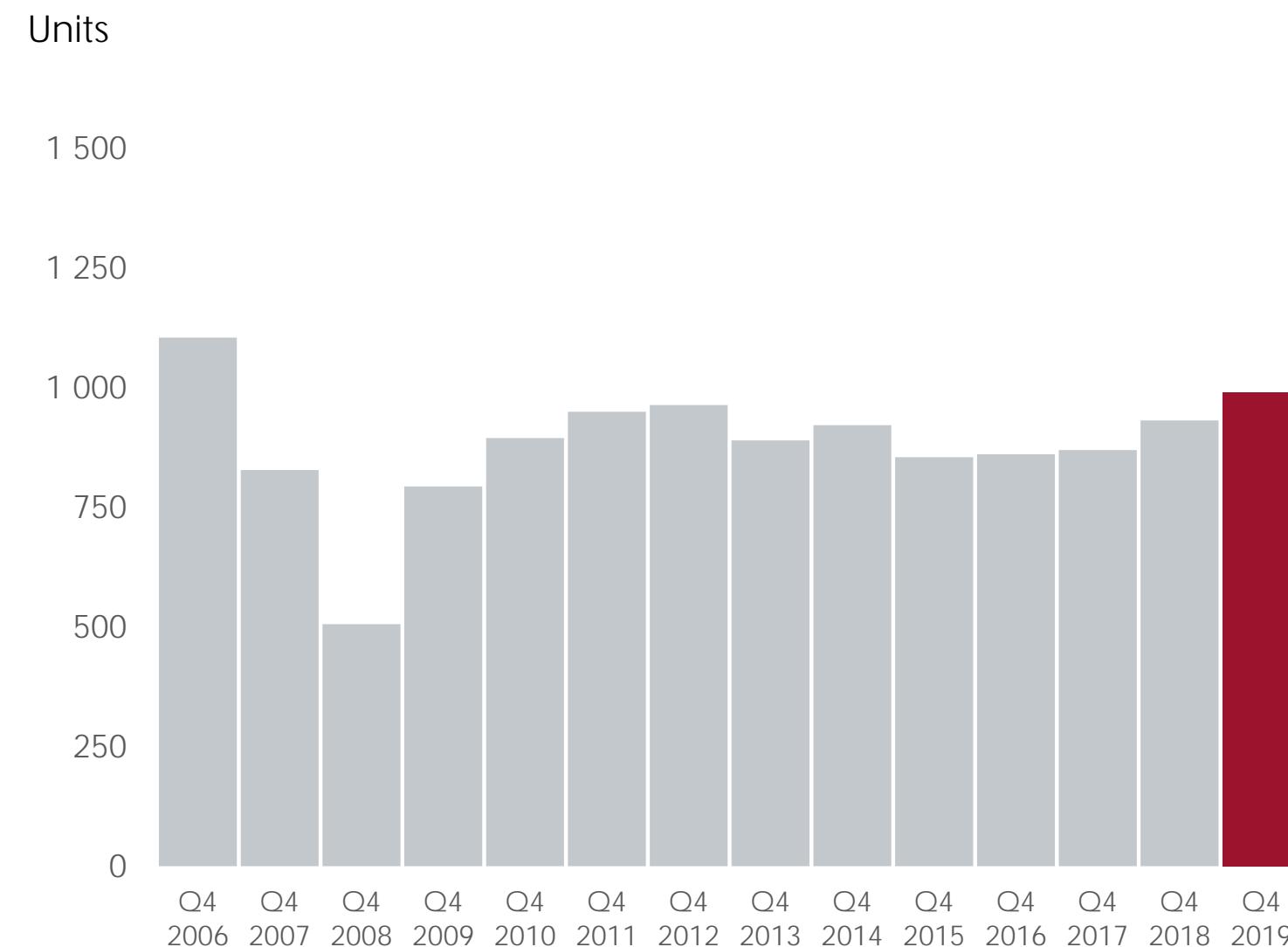
Inventory 31 December 2019



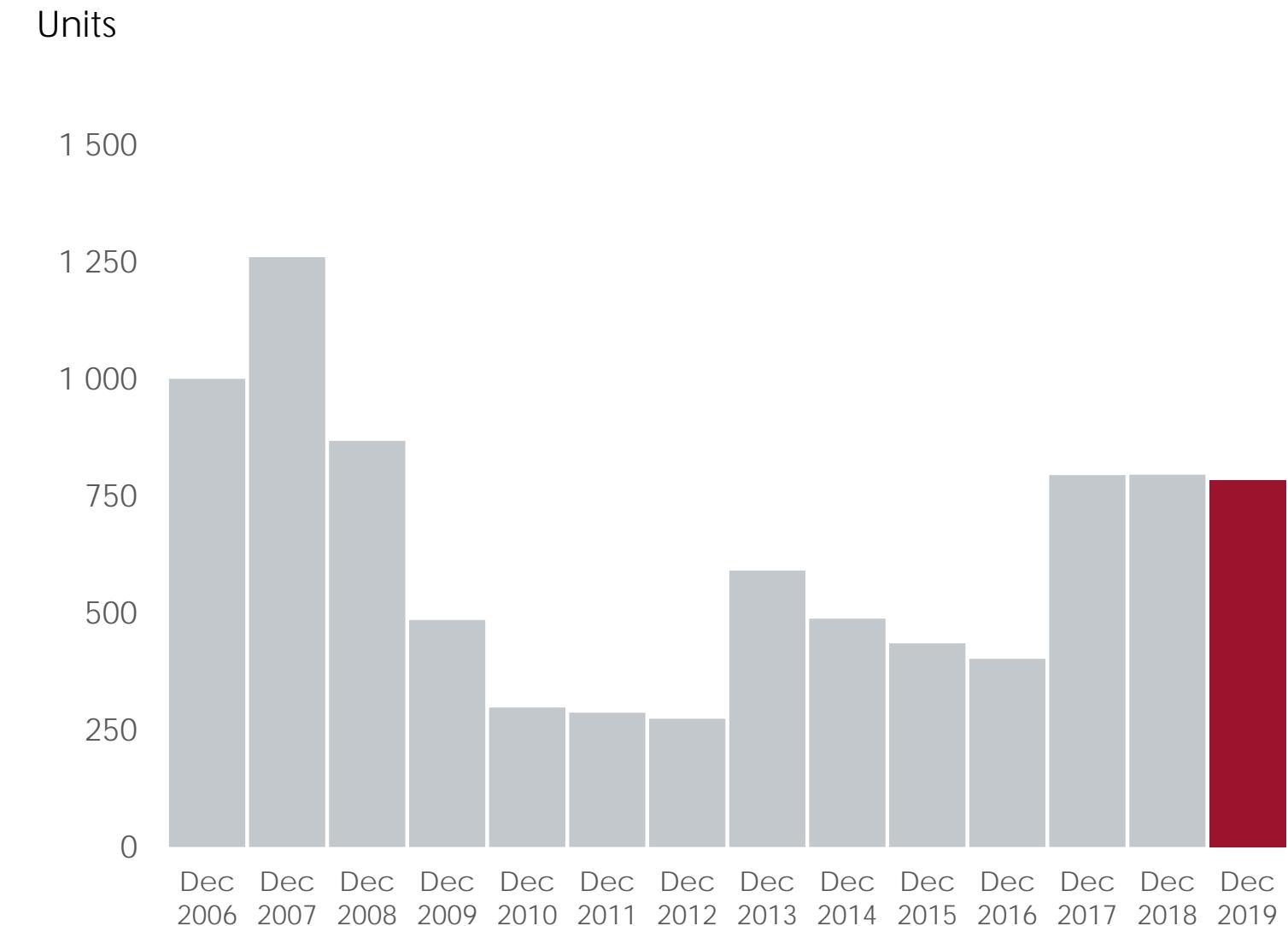
Sources: Eiendomsverdi

# Trondheim second-hand market update

Units sold Q4 2019



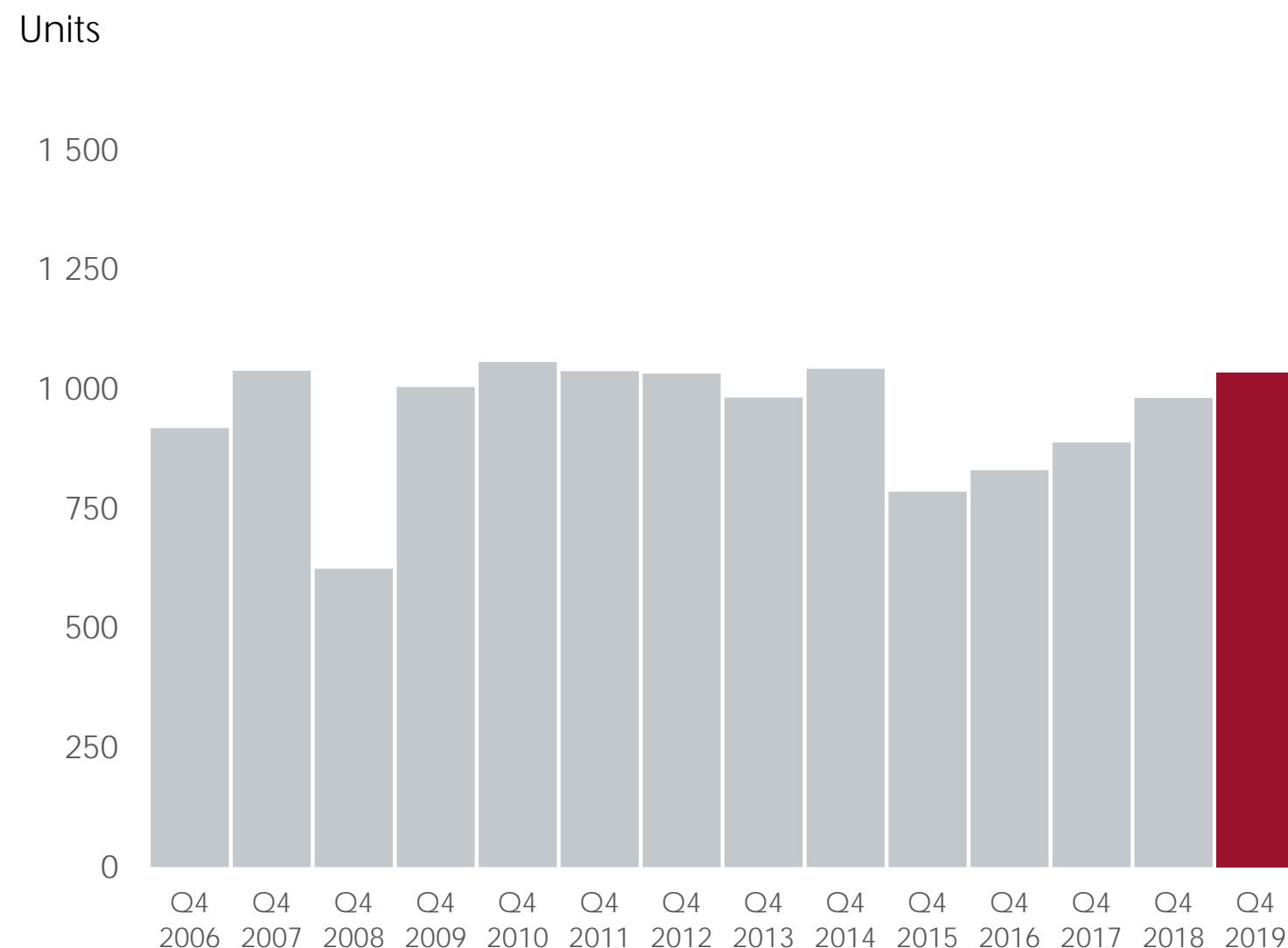
Inventory 31 December 2019



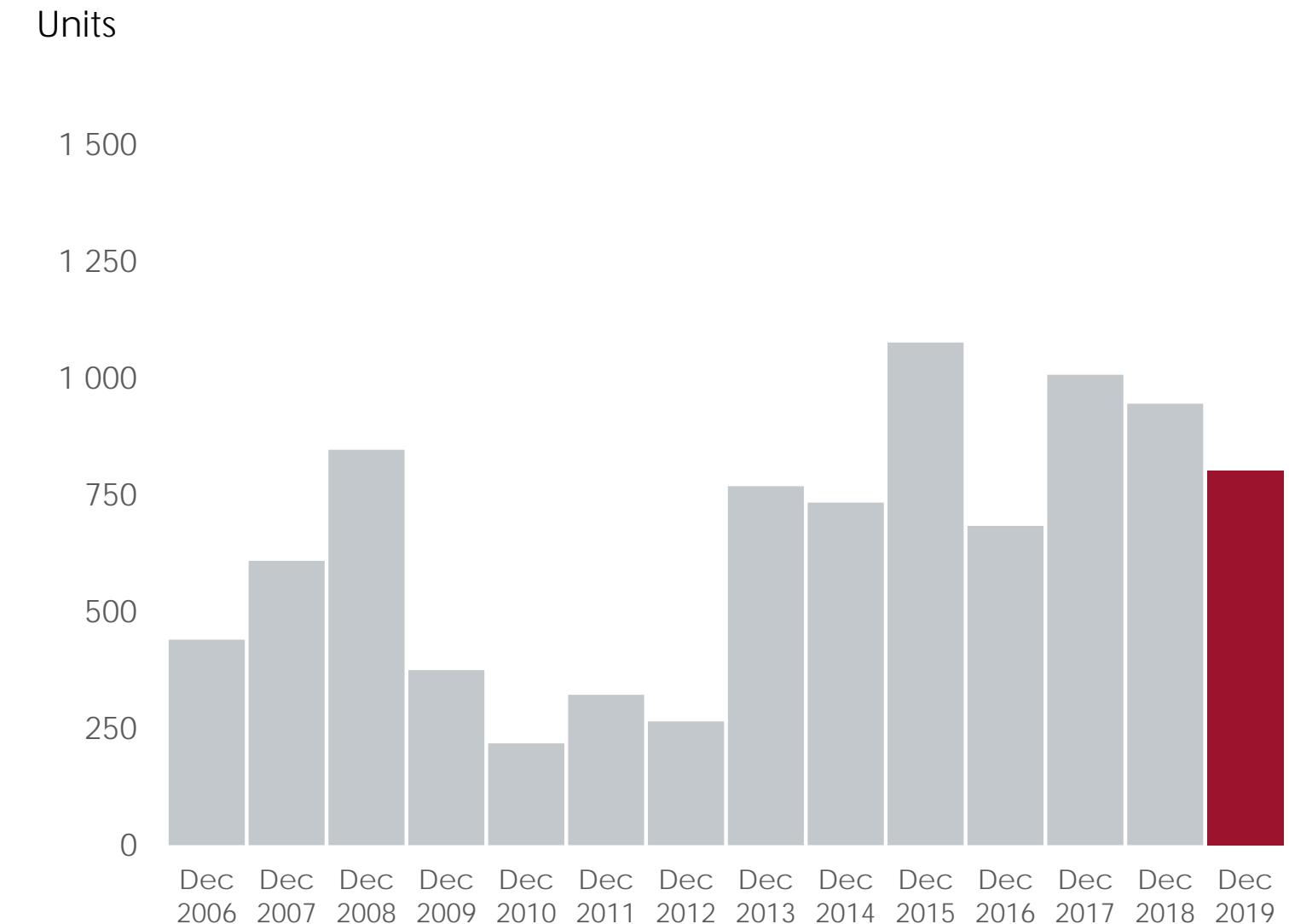
Sources: Eiendomsverdi

# Stavanger second-hand market update

Units sold Q4 2019

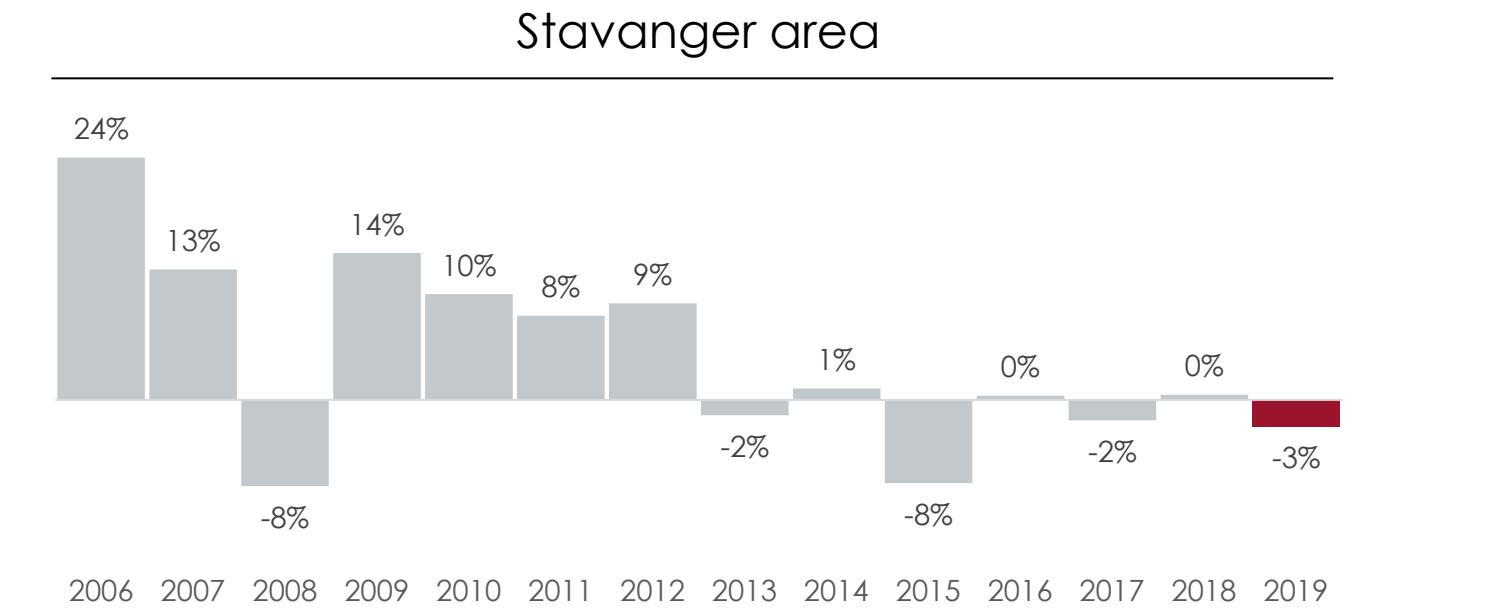
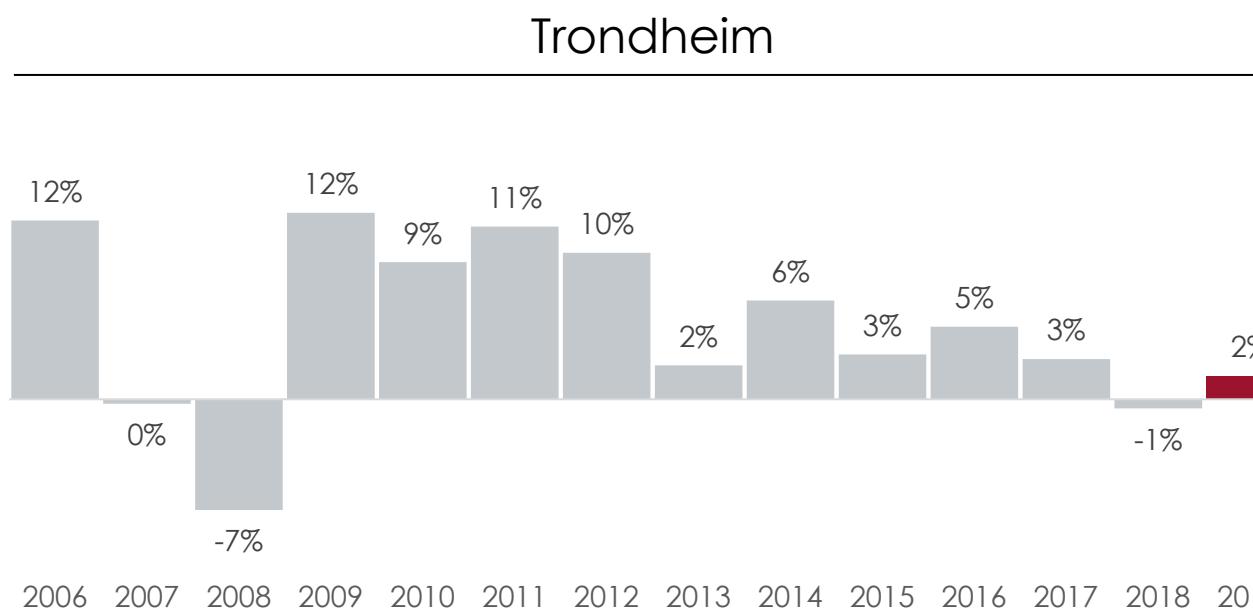
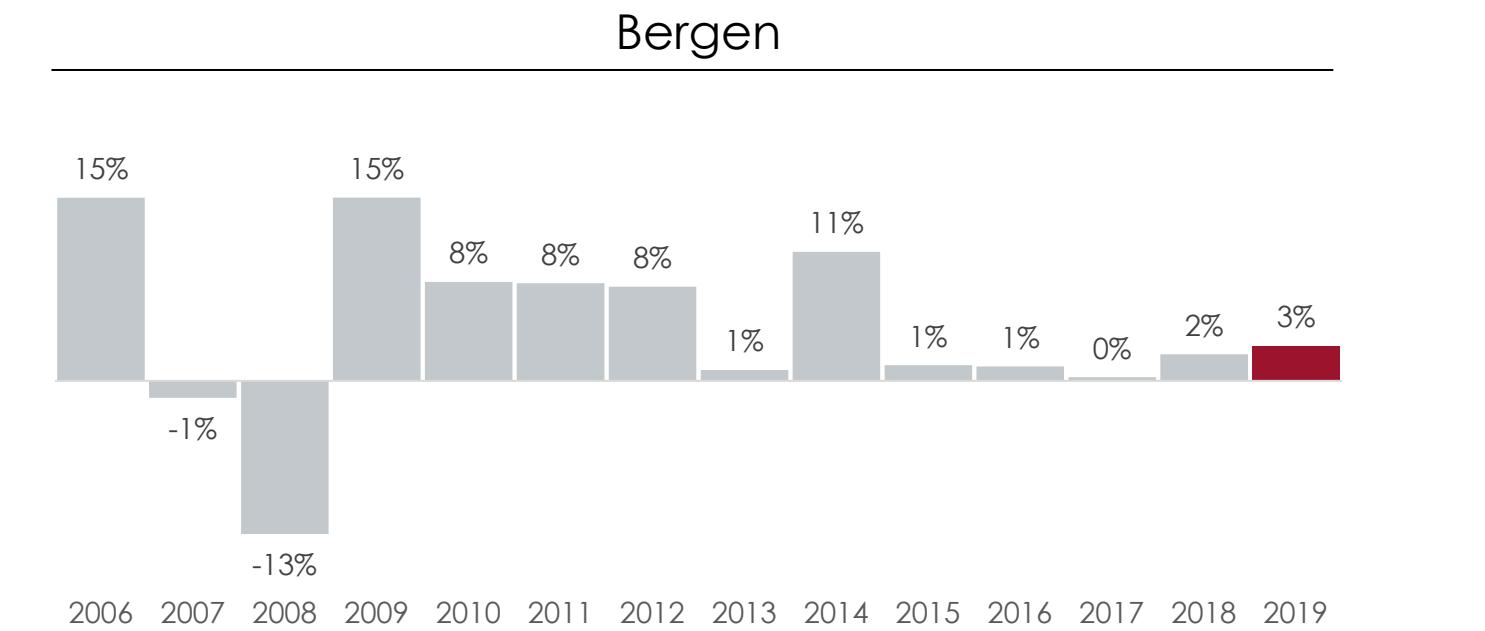
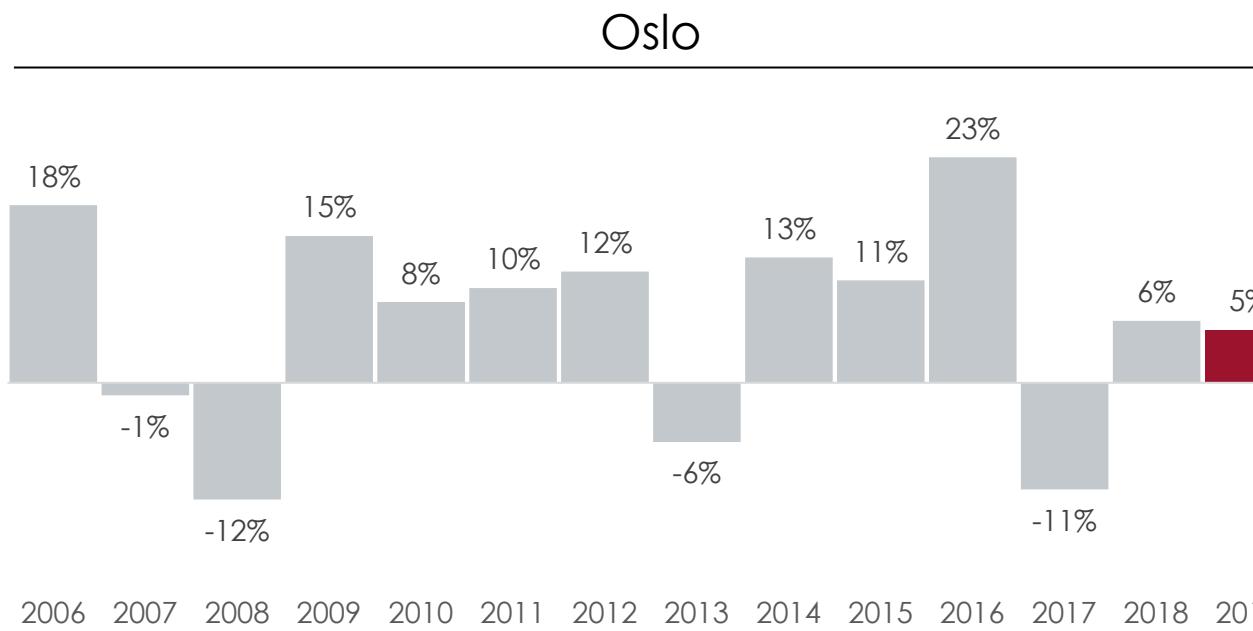


Inventory 31 December 2019



Sources: Eiendomsverdi

# Regional price development (2006-19)

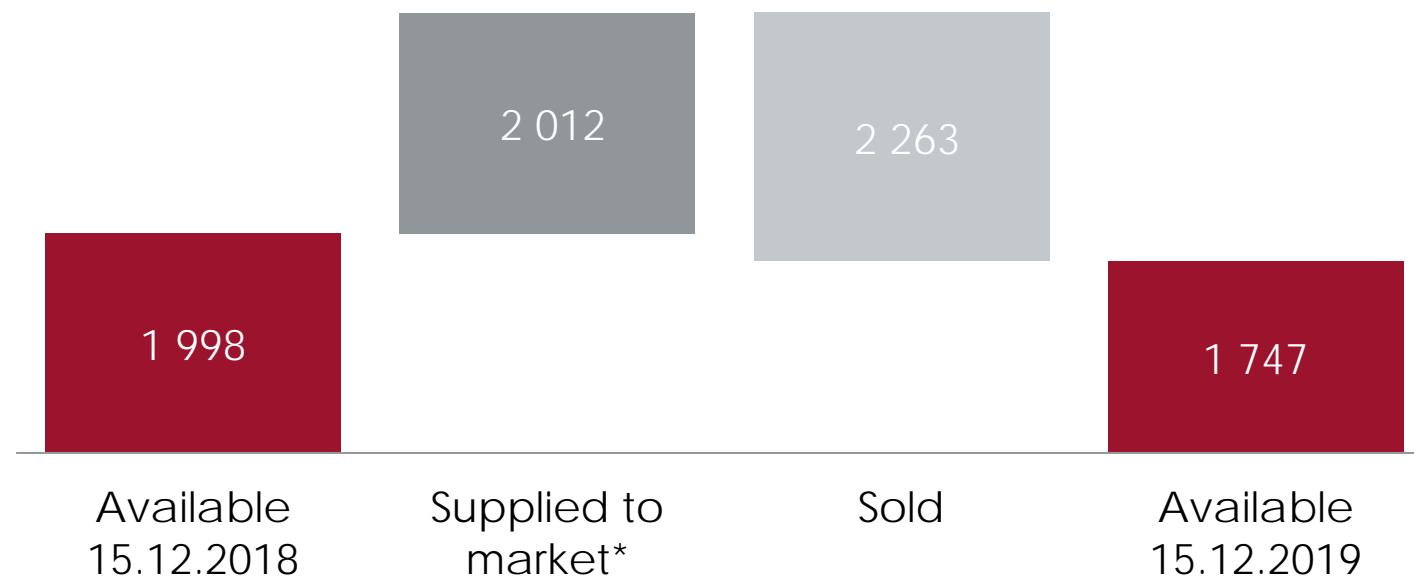


Sources: Eiendomsverdi

# Newbuild market update

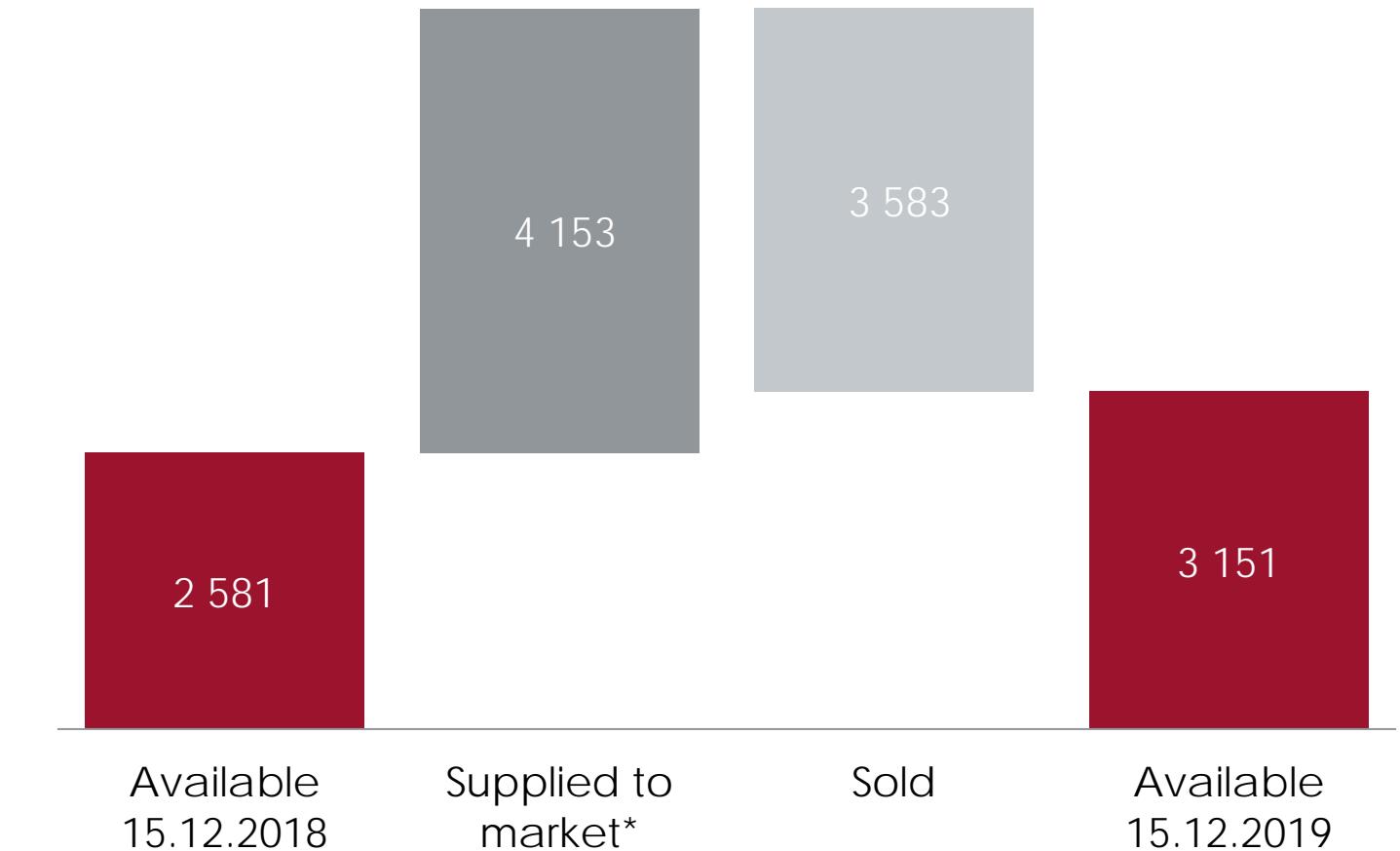
Oslo - Jan-Dec 2019

Units



Akershus – Jan-Dec 2019

Units

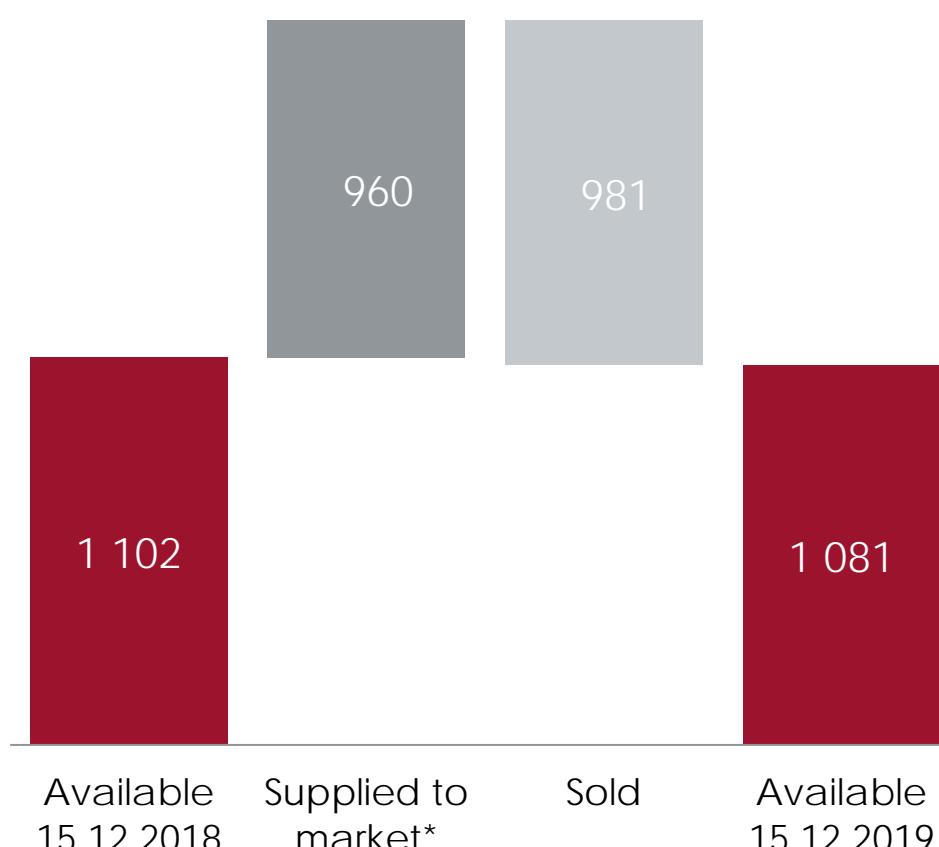


Source: SA - ECON Nye Boliger

# Newbuild market update

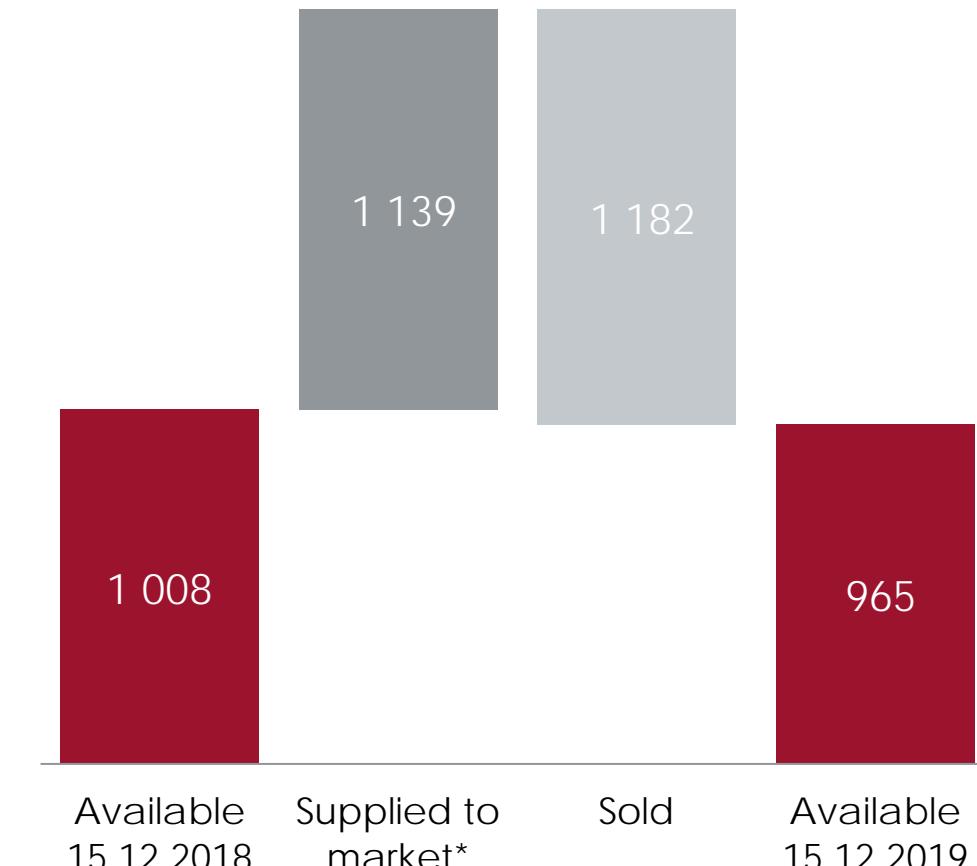
## Bergen - Jan-Dec 2019

Units



## Trondheim – Jan-Dec 2019

Units



## Stavanger – Jan-Dec 2019

Units



Source: SA - ECON Nye Boliger

\* Adjusted for temporary withdrawals or cancellations during the period



# Ongoing projects

## Lørenskog stasjonsby

~1 000 units remaining

Sales start: 2013

Project completion: 2030

Sales value: NOK 4.5bn



## Ongoing projects

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### Tiedemannsparken

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Total number of units: 322

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Sales start: Q1 2019

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Project completion: Jun 2022

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Sales value: NOK 1.7 bn

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# Ongoing projects

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## Skårerbyen

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~1 000 units remaining

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Sales start: Q4 2018

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Project completion: 2030

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Sales value: NOK 4.5bn

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# Ongoing projects

## Landås (Asker)

~600 units remaining

Sales start: 2019

Project completion: 2028

Sales value: NOK 3.0bn



# Upcoming projects

## Fornebu

~1 800 units (50/50 JV)

Expected sales start: 2023

Project completion: 2038

Expected sales value:  
NOK 12 bn



# Upcoming projects

## Bjerke

~1 100 units

Expected sales start: 2023

Project completion: 2030

Expected sales value:  
NOK 7.0 bn



# Upcoming projects

## Sinsenveien

~350 units (50/50 JV)

Expected sales start: Q4 2020

Project completion: 2024

Expected sales value:  
NOK 1.75bn



# Upcoming projects

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## Lørenvangen

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~160 units

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Expected sales start: Q4 2021

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Project completion: 2024

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Expected sales value:  
NOK 800m

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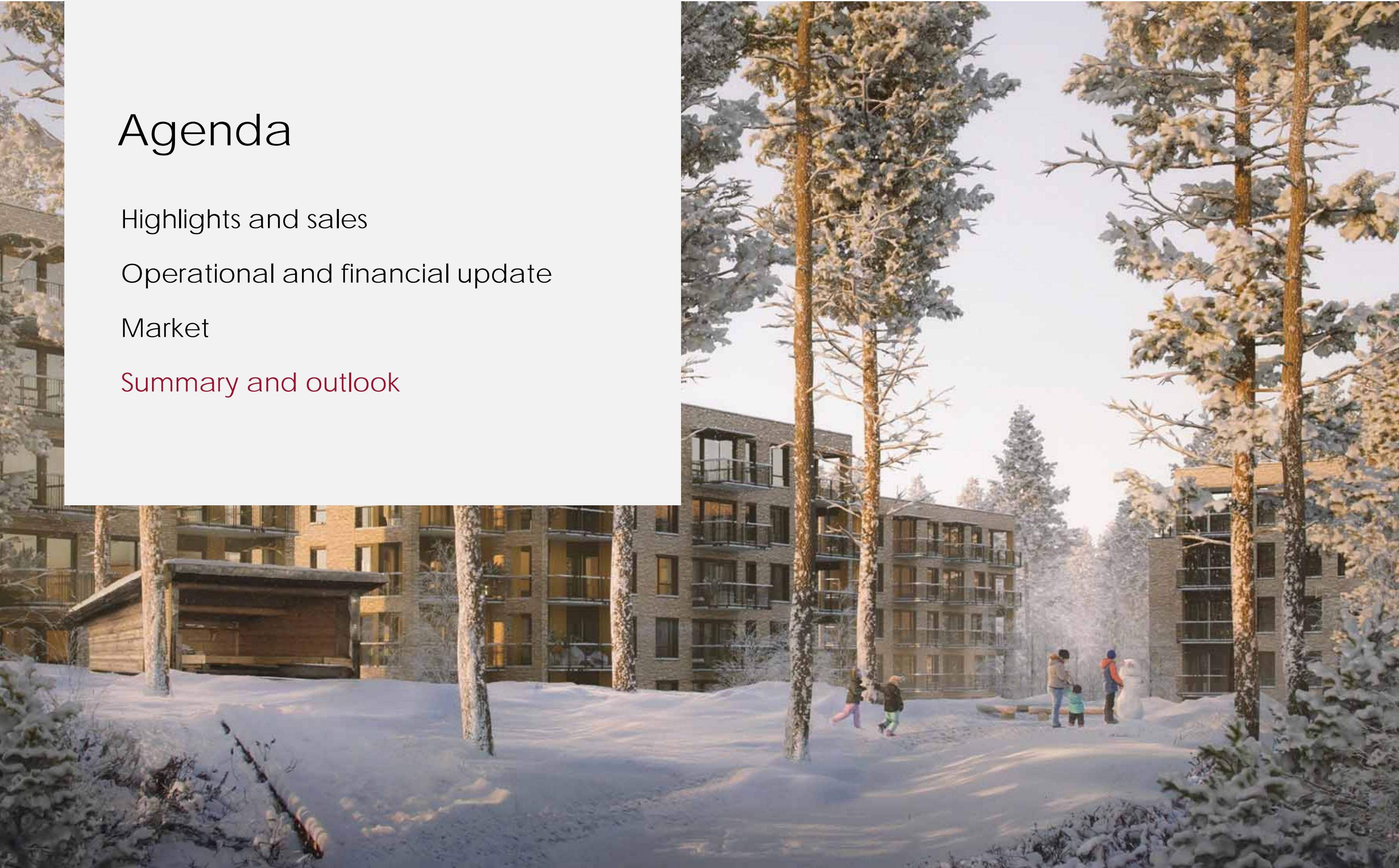
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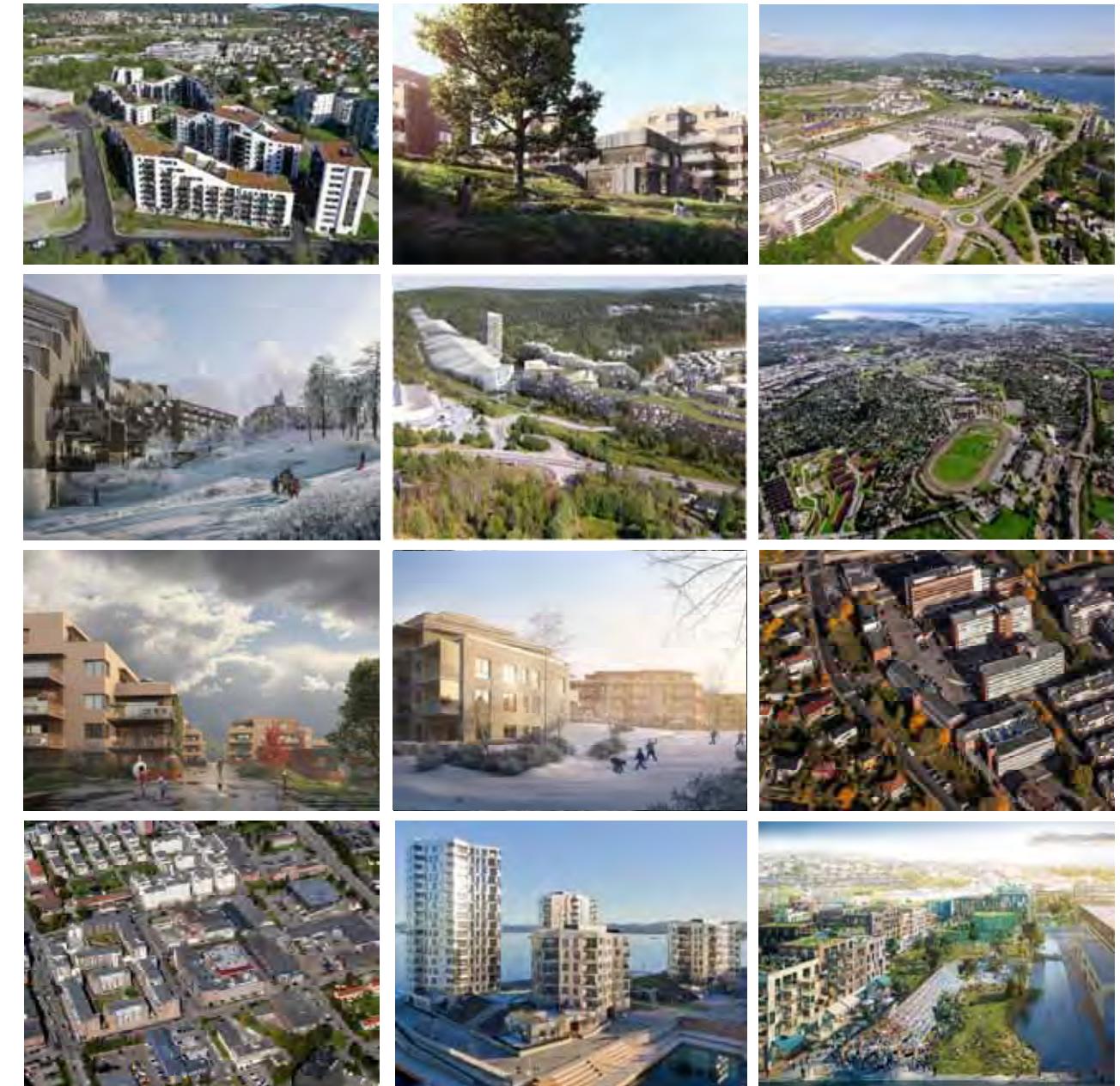
Market

Summary and outlook



# Outlook

- Positive market sentiment in Q1
- Attractive projects for sale in all the markets where we operate
- Positioned with competitive housing offering and substantial capacity



Completed, ongoing and upcoming projects

# Summary

- Strong operational performance during Q4 and FY 2019
- Urban Property transaction completed
- EO dividend of NOK 22 per share
- Proposes ordinary dividend of NOK 3.00 per share for 2H 2019

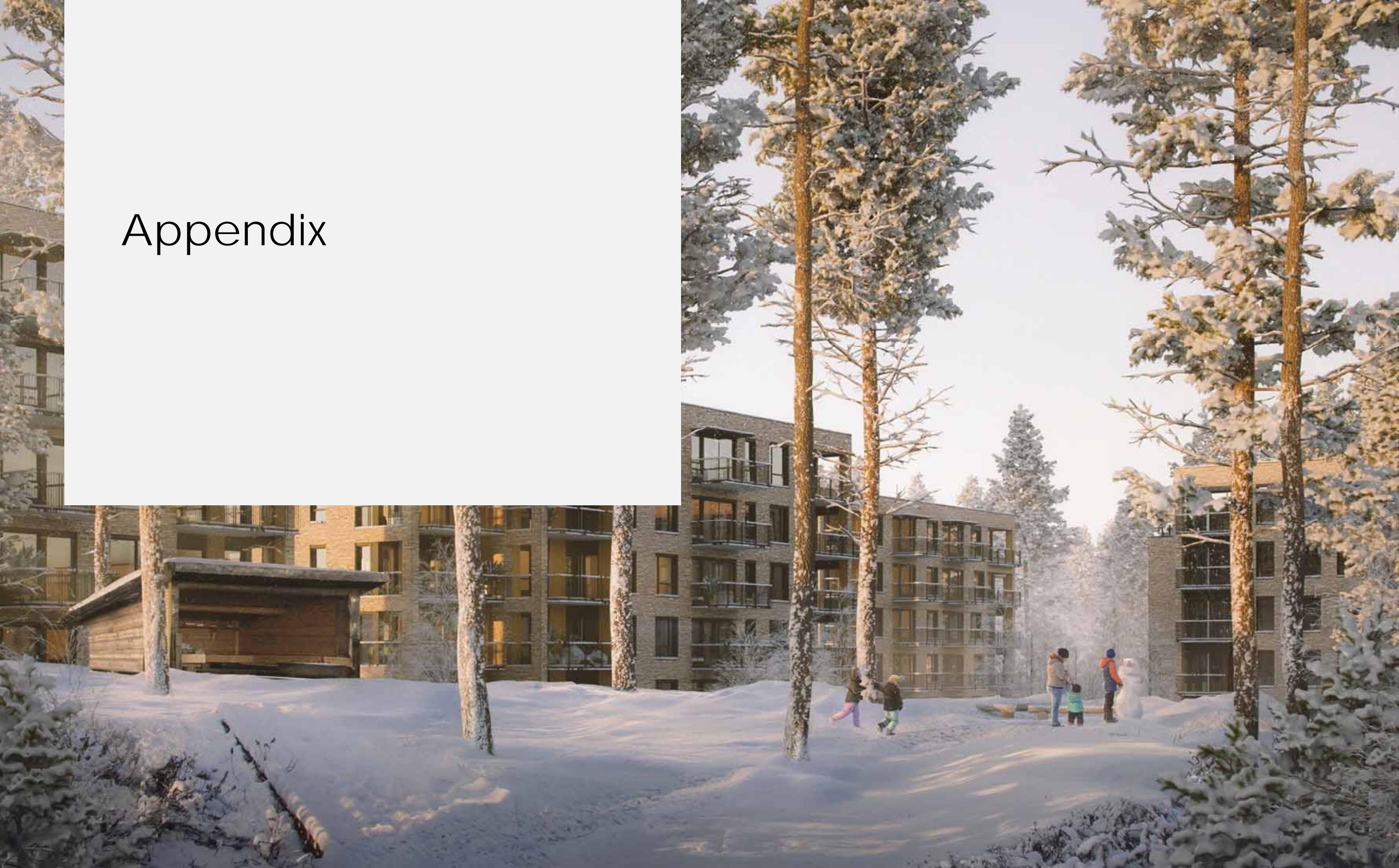
Thank you for your attention – follow us online!

Next event:  
1<sup>st</sup> quarter 2020  
20 May 2020

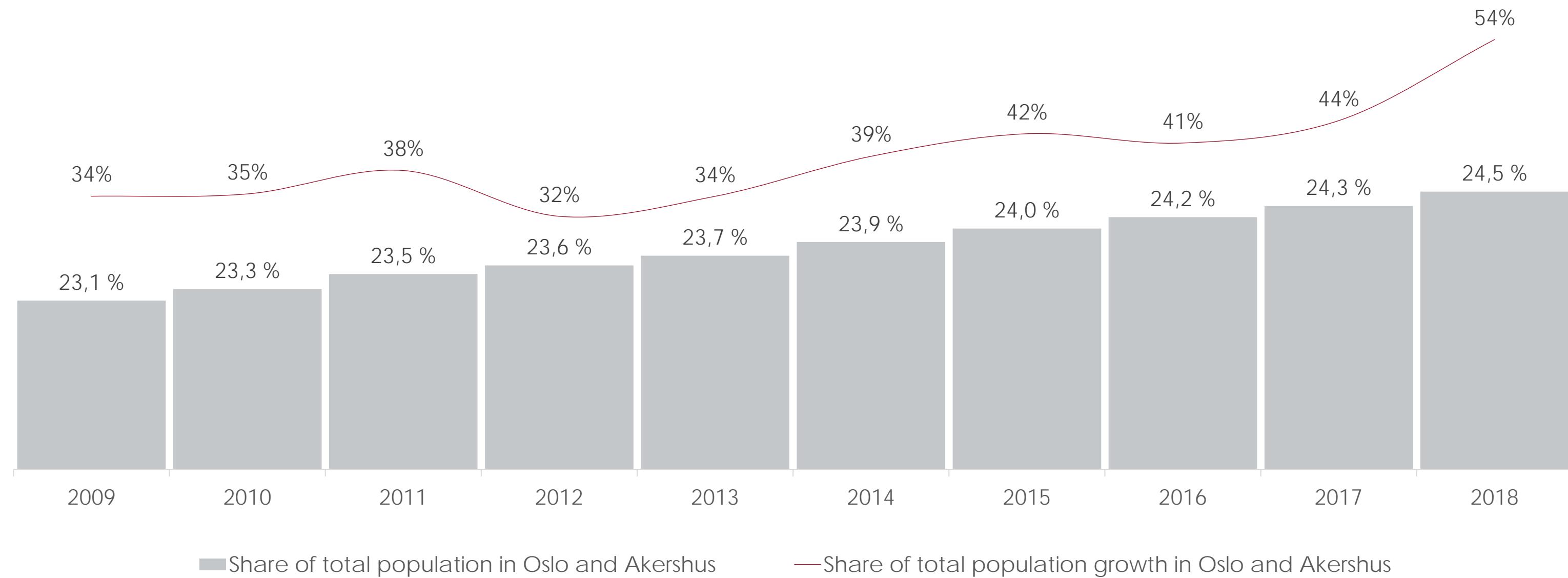


@SelvaagAksjen

# Appendix



# Increasing share of population growth in Oslo and Akershus



Source: Statistics Norway

# Dividend policy

**Selvaag Bolig's ambition is to pay high and stable dividends to its owners.**

The company aims to pay dividends of minimum 40 per cent of net annual profit, paid in two instalments over the year. However, the size of the dividend will be weighed against the company's liquidity forecasts and capital adequacy.

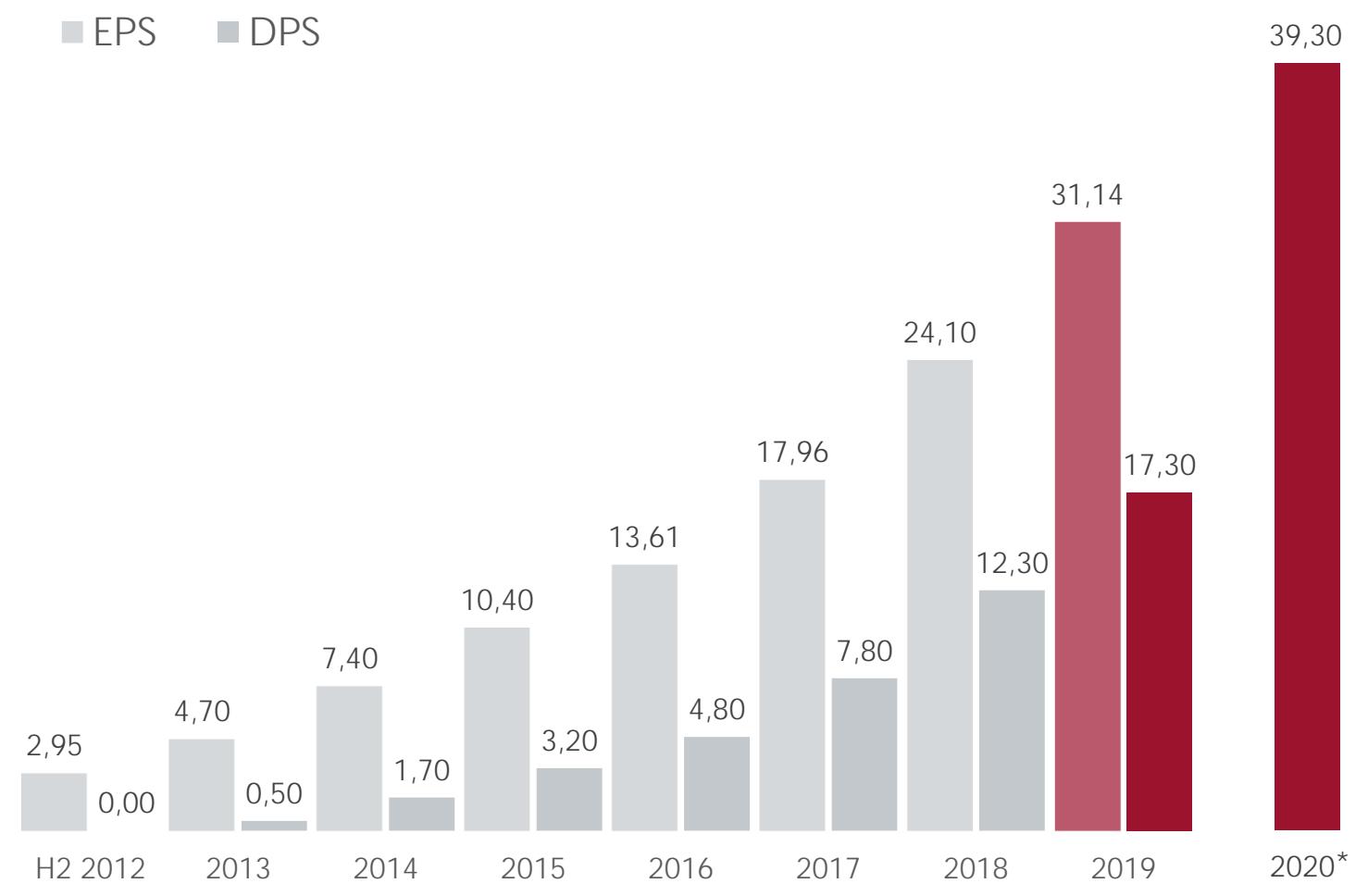
The company will maintain an equity ratio of minimum 30 per cent

# Share performance and dividend since IPO

Share performance since IPO in June 2012



Accumulated dividend and earnings per share



Source: Oslo Børs

\* EO dividend of NOK 22 per share paid on 31 January 2020

# Largest shareholders at 31 December 2019

Shareholder	# of shares	% share
SELVAAG AS	50 180 087	53.5%
LANDSFORSAKRINGAR FASTIGHETSFOND	5 653 788	6.0%
TAIGA INVESTMENT FUNDS PLC-TAIGA F	2 741 751	2.9%
PARETO INVEST AS	2 065 624	2.2%
VERDIPAPIRFONDET PARETO INVESTMENT	1 413 000	1.5%
VERDIPAPIRFONDET ALFRED BERG GAMBA	1 397 062	1.5%
SEB PRIME SOLUTIONS SISSENER CANOP	1 221 349	1.3%
State Street Bank and Trust Comp *)	1 217 125	1.3%
JPMorgan Chase Bank, N.A., London *)	1 000 000	1.1%
FLPS - GL S-M SUB	928 800	1.0%
HOLTA INVEST AS	814 119	0.9%
Landkreditt Utbytte	800 000	0.9%
MUSTAD INDUSTRIER AS	730 179	0.8%
VERDIPAPIRFONDET HOLBERG NORGE	700 000	0.7%
Morgan Stanley & Co. International	610 216	0.7%
BANAN II AS	600 000	0.6%
Baard Schumann	565 127	0.6%
TMAM EUROPEAN REAL ESTATE SEC	544 506	0.6%
SANDEN AS	518 186	0.6%
STOREBRAND NORGE I VERDIPAPIRFOND	507 654	0.5%
<b>Total 20 largest shareholders</b>	<b>74 208 573</b>	<b>79.1%</b>
Other shareholders	19 557 115	20.9%
<b>Total number of shares</b>	<b>93 765 688</b>	<b>100.0%</b>

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

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

# Low-risk business model creates healthy profits

## Strategy

**Competitive housing offering,  
targeting growth regions**

**Large, actively-managed land bank,  
owned by partner  
Urban Property**

**Efficient and flexible  
cost structure**

**Capital-efficient business model  
backed by strong balance sheet**

## Value drivers

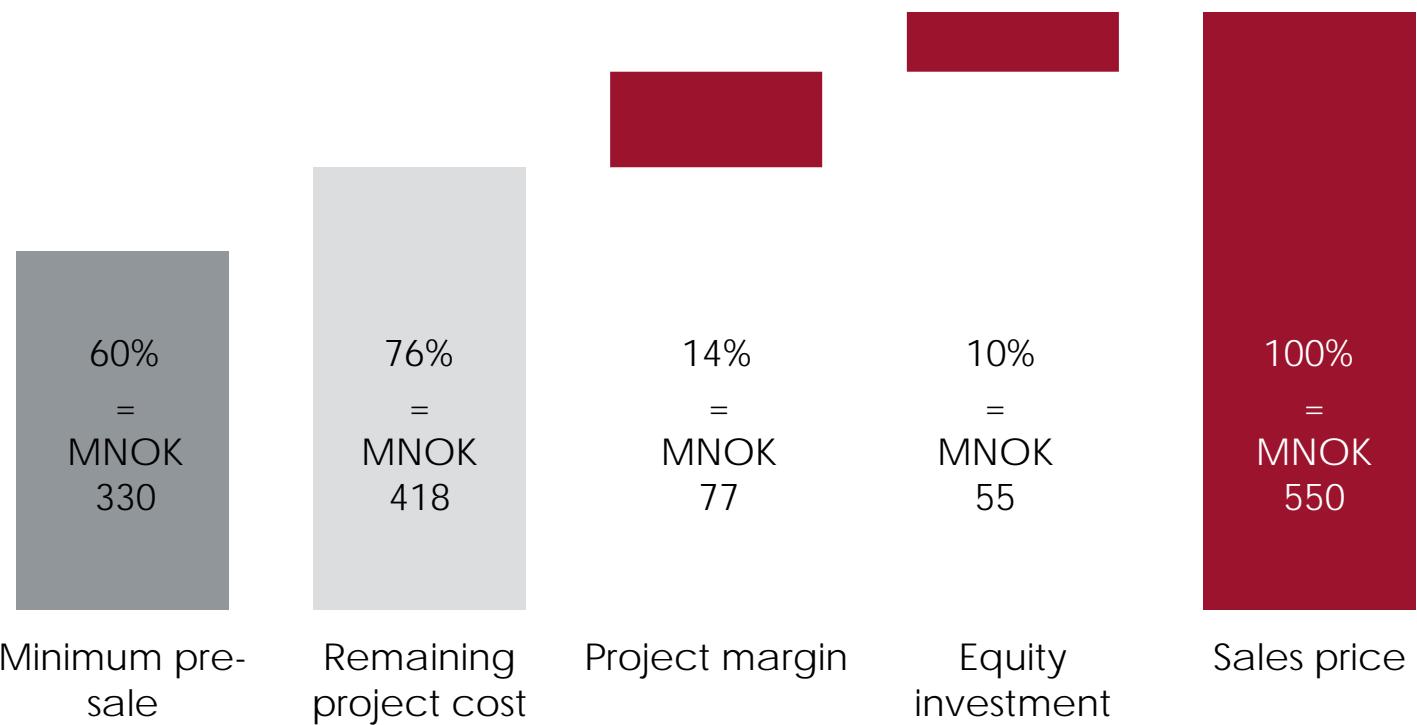
- Presence in fast-growing urban regions with high demand and large market depth
- Competitive prices, addressing large customer base
- Defined housing concepts, aimed at wide range of consumers

- Value appreciation through refinement of land for housing development
- Flexibility to develop thousands of homes in growing urban regions
- Active asset management
- Partnership reduces invested capital and strengthens ability to buy land
- No in-house construction arm; improves flexibility and cost optimisation
- Project-based business model improves flexibility and reduces risk
- Economies of scale through large projects
- Lean organisation reduces overhead

- 60% pre-sale before construction start lowers project financing need and inventory risk
- Sound debt structure and financial flexibility

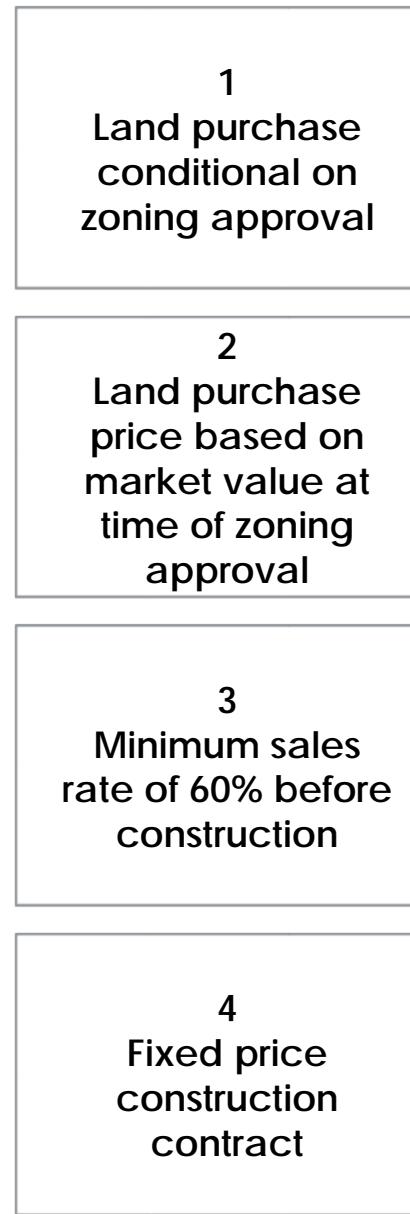
# Low-risk business model

## Risk profile at start of a MNOK 550 project



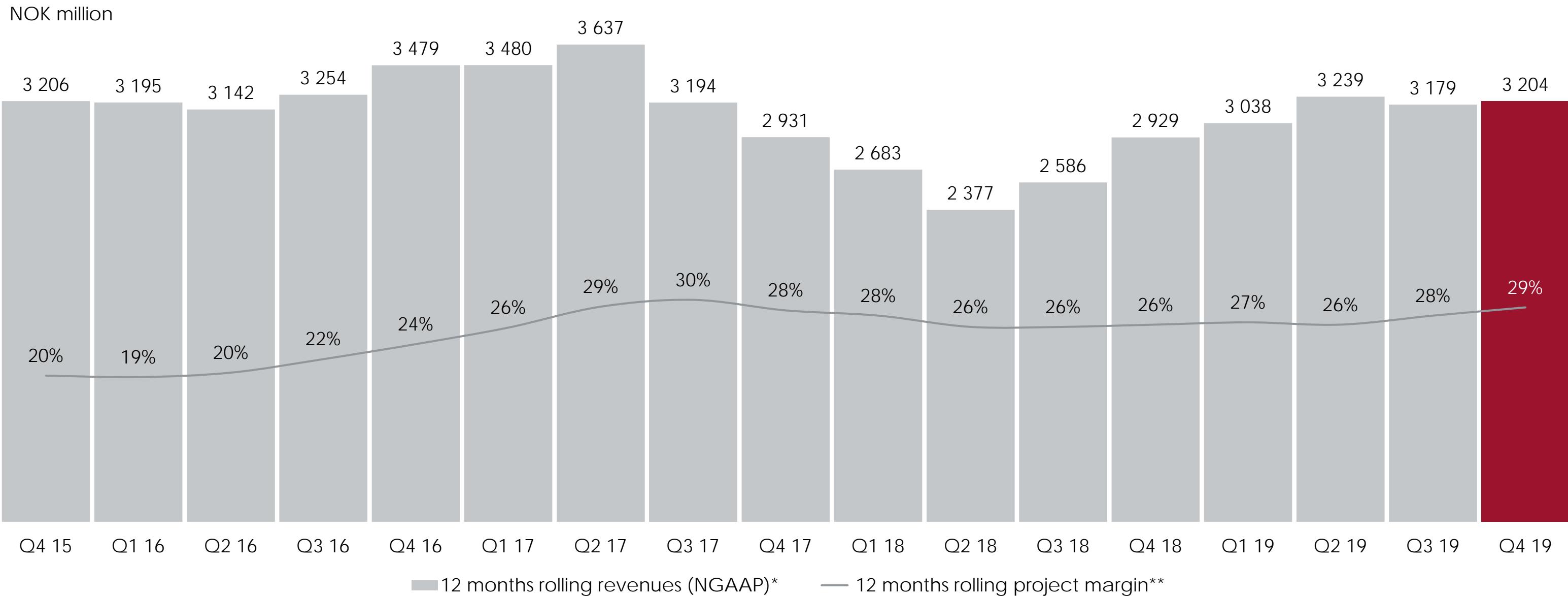
- Selvaag's equity investment in a project and project margin bring the remaining project cost down to 74%-78%
- With minimum 60% pre-sale there is limited remaining project risk. For the the remaining 40% a price reduction of 35% would recover equity
- 70% of units in production are sold at end Q4'19

## De-risking in key stages of projects



- Purchase and payment of land takes place after zoning plan approval. If this is not obtained, the purchase is cancelled
- SBO is in charge of the zoning process
- Purchase price is decided by a land appraisal made by three external consultants at the time of zoning approval
- The median valuation is used as purchase price
- Pre-sales of minimum 60% secures the majority of revenue before construction
- 10% of purchase price paid by the buyer at point of sale, and proof of financing for the remaining amount is required
- Construction contracts with solid counterparties are made with fixed price
- Project costs are secured before construction starts

# Project margin development



\* Construction costs are exclusive of financial expenses in the segment reporting (NGAAP)

\*\* Project margins are exclusive of overhead costs

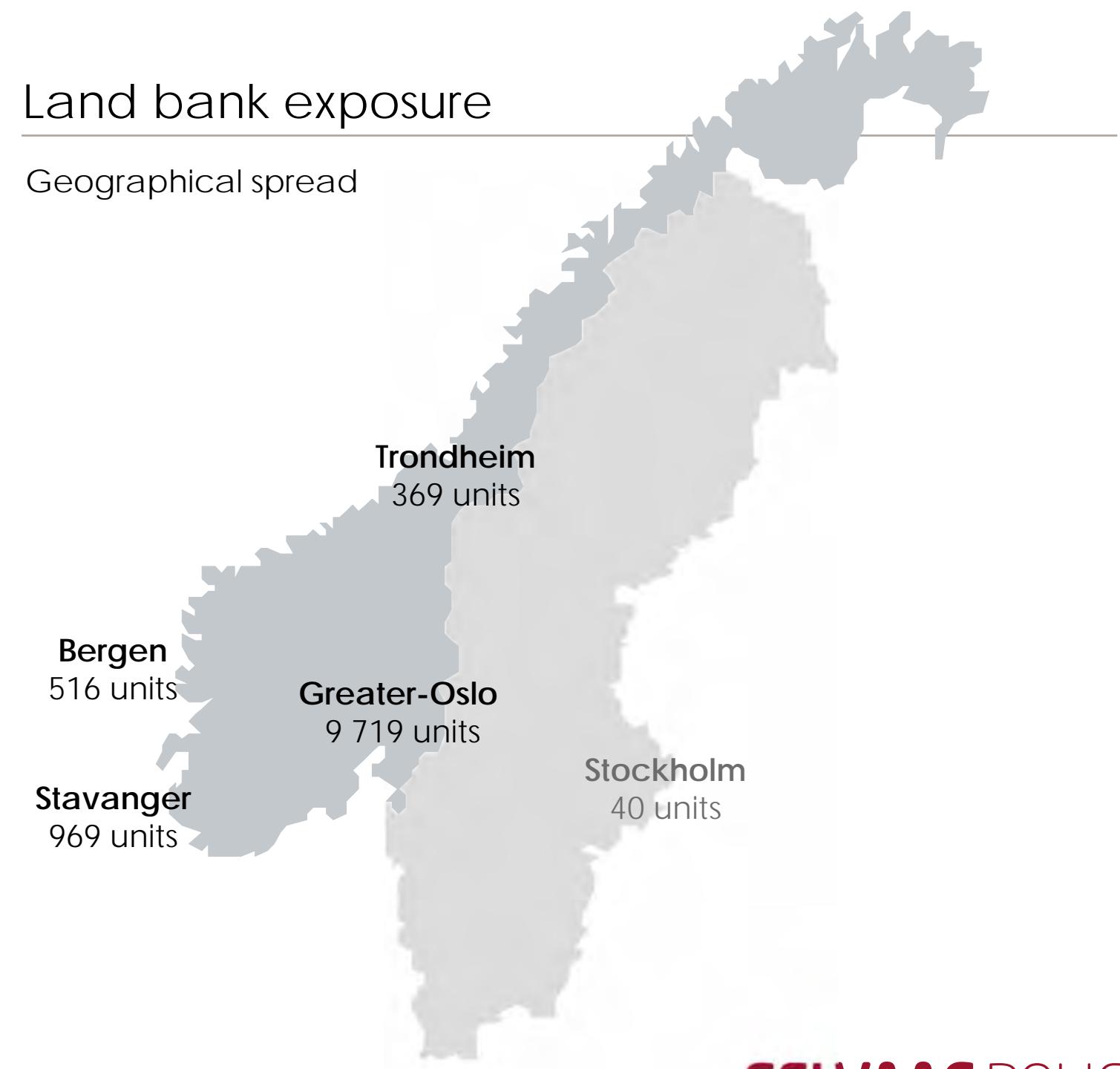
# Positioned to realize large projects in Norway's four largest growing urban areas

## Land-bank strategy

- Acquire the right mix of zoned and unzoned land in suitable locations
- Land acquisitions in defined core areas
- High degree of site utilisation and strategic land development
- Substantial land bank to accommodate targets/growth in core areas
- Good infrastructure and public transport
- Joint ventures (JVs)

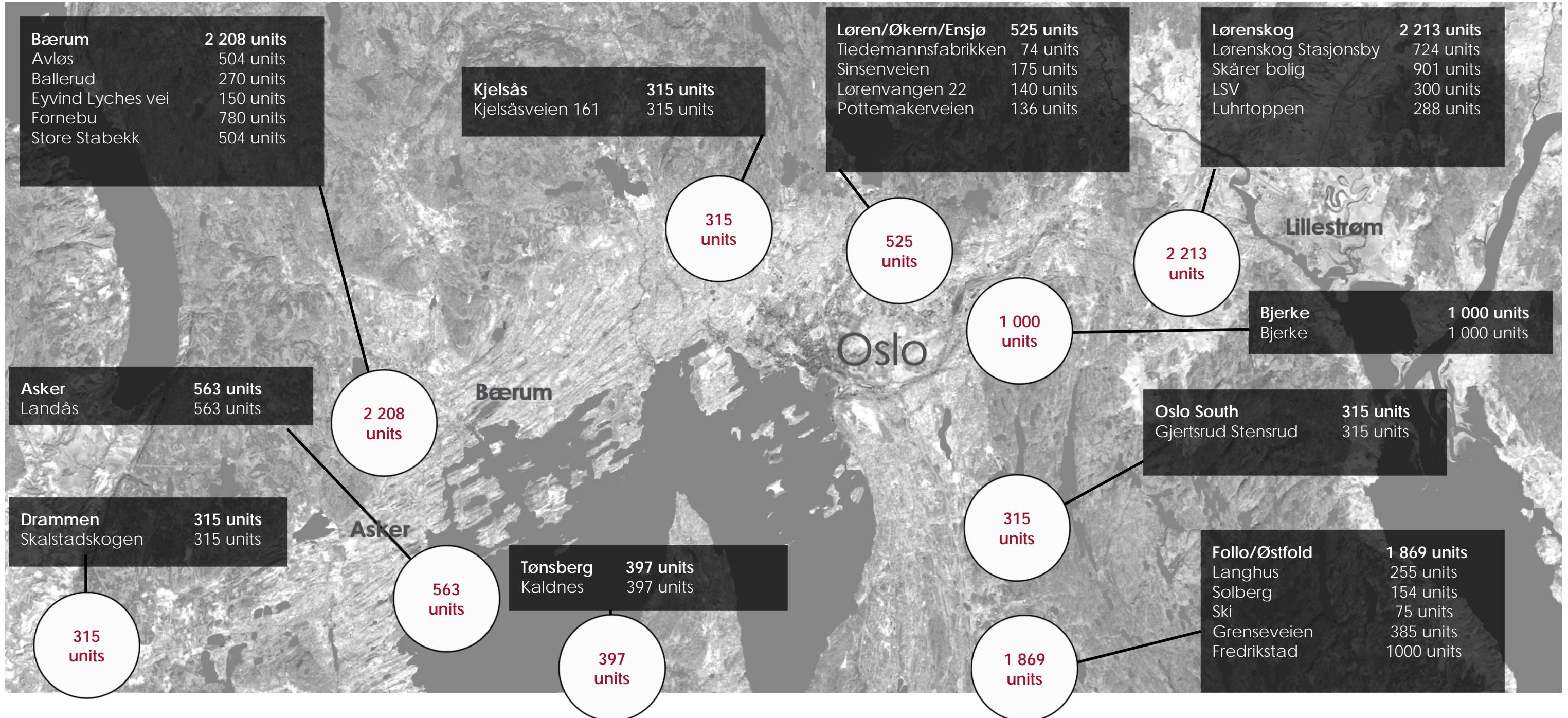
## Land bank exposure

Geographical spread



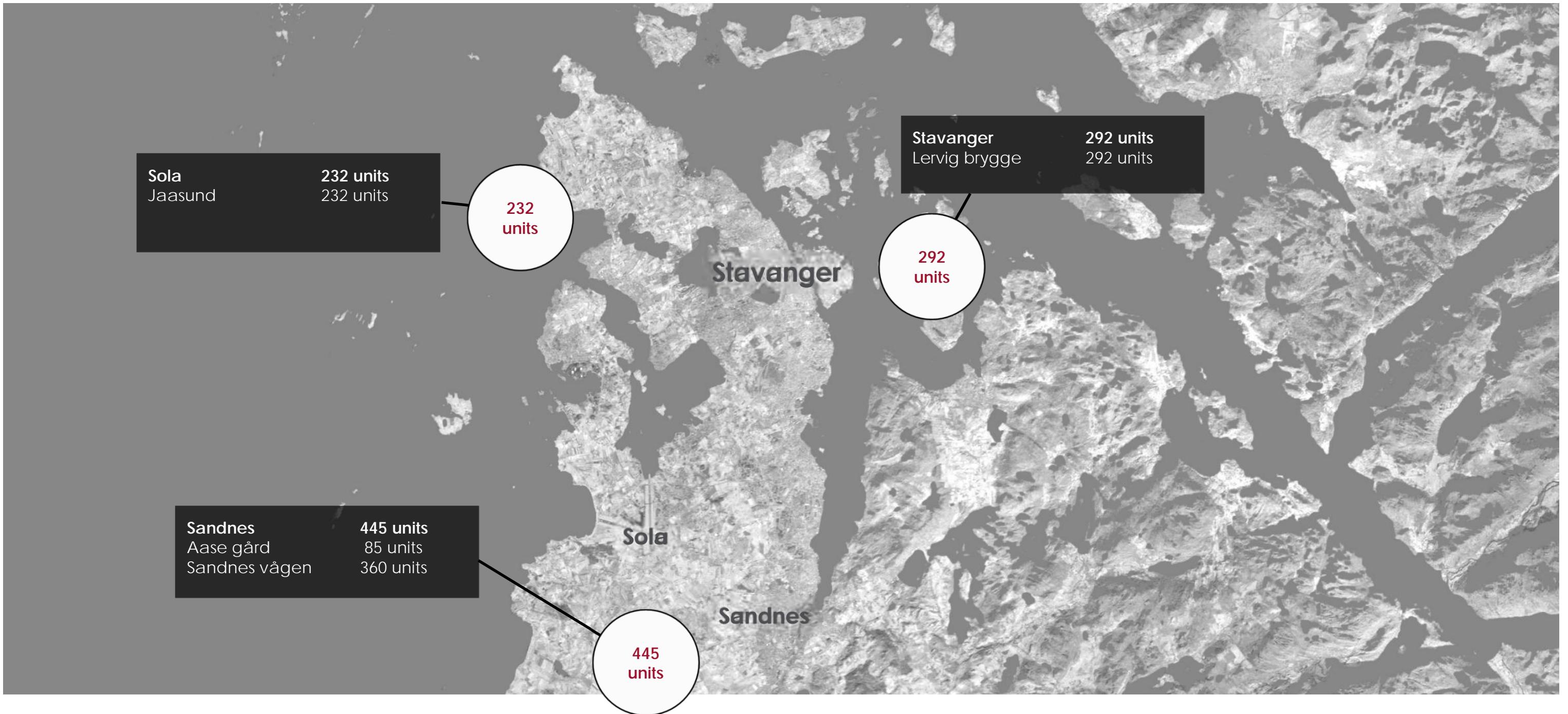
Note: The numbers represent the size of the land portfolio as at 31 December 2019. All numbers are adjusted for Selvaag Bolig's share in joint ventures. 1) Greater Oslo area: Oslo, Akershus, Buskerud, Vestfold and Østfold, 2) The residential property development portfolio consists of land plots that are to be paid for when planning permission is received. The portfolio has a development potential of ~6 100 residential units, whereof the company has purchasing obligations for ~6 000 and purchasing options for ~100 units.

# Land bank in Oslo and Greater Oslo



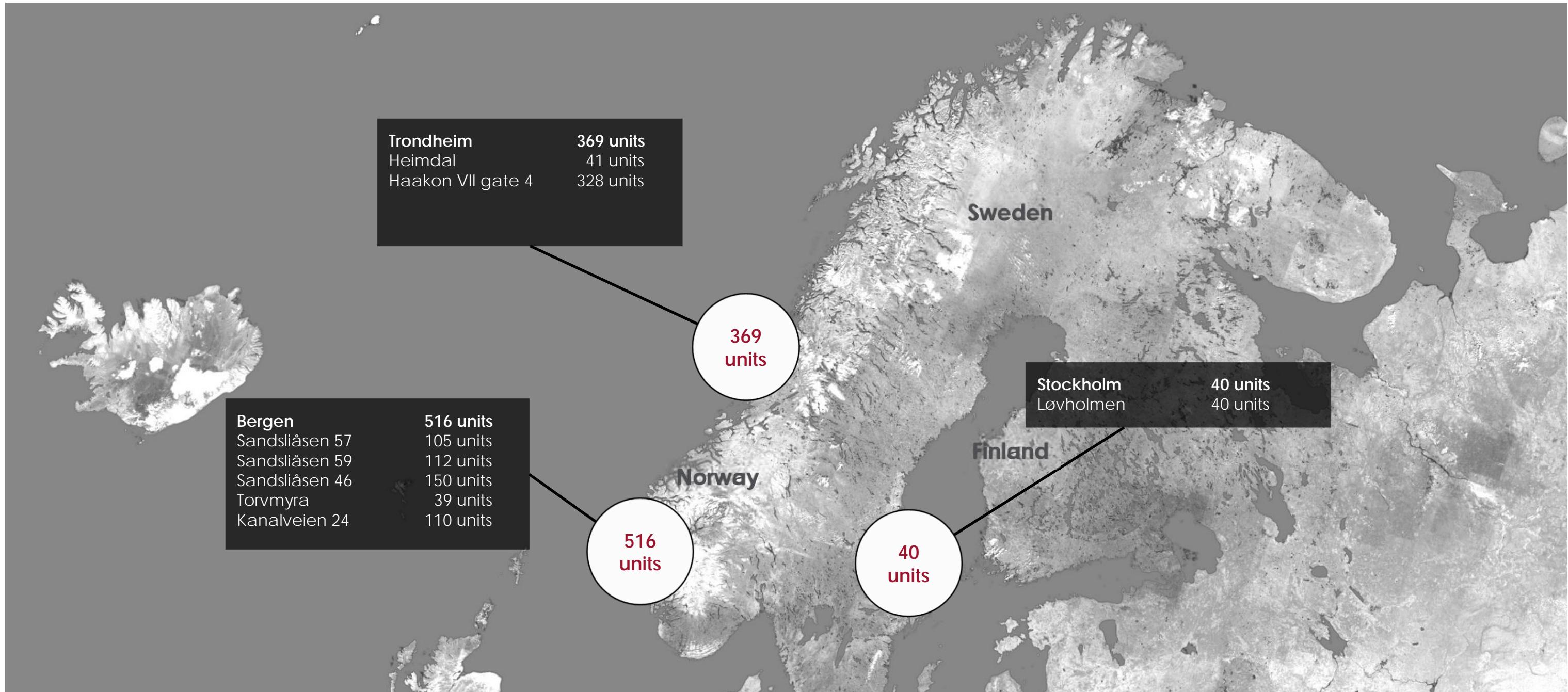
\*The numbers are adjusted for Selvaag Bolig's share in joint ventures

# Land bank in Stavanger area



\*The numbers are adjusted for Selvaag Bolig's share in joint ventures

# Land bank in Bergen, Trondheim and Stockholm

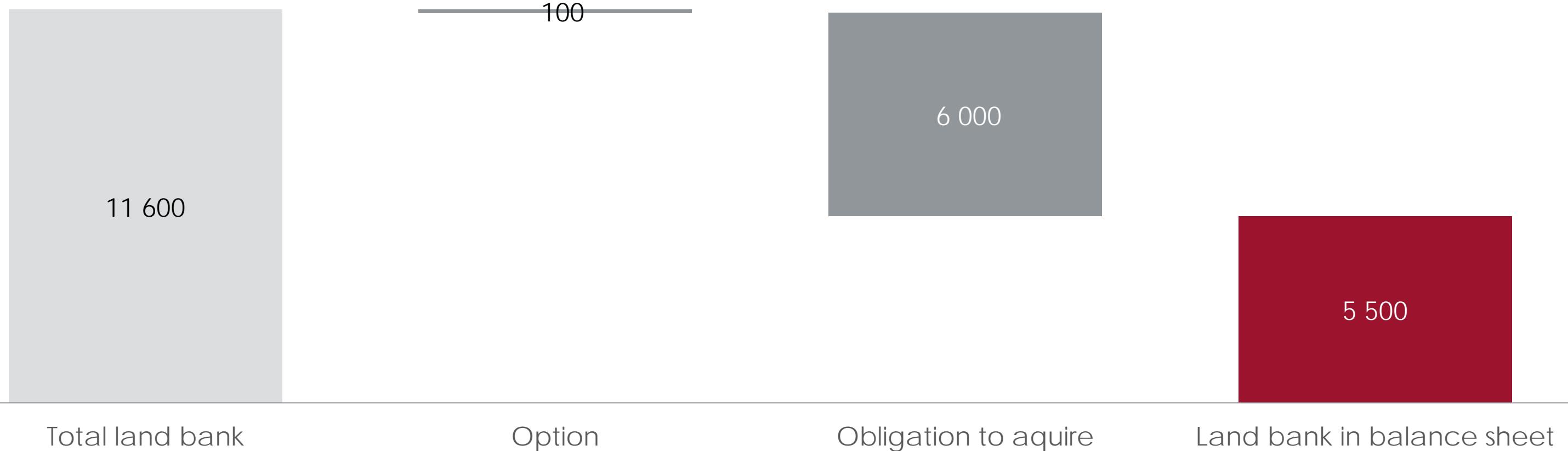


\*The numbers are adjusted for Selvaag Bolig's share in joint ventures

# Substantial portfolio for development

Total land bank portfolio at 31 December 2019

Units



# Income statement IFRS

<b>(figures in NOK million)</b>	<b>Q4 2019</b>	<b>Q4 2018</b>	<b>2019</b>	<b>2018</b>
Total operating revenues	1 414.4	1 624.7	3 368.8	3 342.1
Project expenses	(936.7)	(1 127.4)	(2 279.5)	(2 421.6)
Other operating expenses	(88.8)	(82.1)	(274.1)	(268.1)
Other gains (loss)	-	-	-	-
Associated companies and joint ventures	(13.7)	56.8	62.2	101.8
<b>EBITDA</b>	<b>375.223</b>	<b>471.992</b>	<b>877.455</b>	<b>754.187</b>
Depreciation and amortisation	(2.8)	(0.9)	(12.7)	(3.7)
<b>EBIT</b>	<b>372.4</b>	<b>471.1</b>	<b>864.7</b>	<b>750.5</b>
Net financial expenses	2.3	(2.1)	(10.7)	(18.0)
<b>Profit/(loss) before taxes</b>	<b>374.6</b>	<b>469.0</b>	<b>854.0</b>	<b>732.5</b>
Income taxes	(96.1)	(105.7)	(199.5)	(165.6)
<b>Net income</b>	<b>278.6</b>	<b>363.2</b>	<b>654.5</b>	<b>566.8</b>

## Net income for the period attributable to:

Non-controlling interests	-	(0.0)	-	(0.1)
Shareholders in Selvaag Bolig ASA	278.6	363.3	654.5	566.9

# Balance sheet

<b>(figures in NOK million)</b>	<b>Q4 2019</b>	<b>Q3 2019</b>	<b>2018</b>
Intangible assets	383.4	383.4	383.4
Property, plant and equipment	5.6	6.1	8.6
Investments in associated companies and joint ventures	430.3	418.7	415.3
Other non-current assets	280.4	496.6	445.4
<b>Total non-current assets</b>	<b>1 099.6</b>	<b>1 304.7</b>	<b>1 252.6</b>
<b>Inventories (property)</b>	<b>3 636.7</b>	<b>4 654.4</b>	<b>4 306.3</b>
- Land	930.7	1 924.0	1 600.3
- Work in progress	2 523.3	2 560.5	2 539.8
- Finished goods	182.6	169.9	166.2
Other current receivables	133.3	325.7	275.2
Cash and cash equivalents	1 178.7	488.3	657.0
Assets held for sale	864.2	-	-
<b>Total current assets</b>	<b>5 812.8</b>	<b>5 468.4</b>	<b>5 238.5</b>
<b>TOTAL ASSETS</b>	<b>6 912.4</b>	<b>6 773.1</b>	<b>6 491.1</b>
Equity attributed to shareholders in Selvaag Bolig ASA*	3 374.2	3 064.5	3 106.8
Non-controlling interests	7.9	7.9	9.4
<b>Total equity</b>	<b>3 382.1</b>	<b>3 072.4</b>	<b>3 116.1</b>
Non-current interest-bearing liabilities	1 092.3	1 741.1	1 795.8
Other non-current non interest-bearing liabilities	134.0	194.2	156.9
<b>Total non-current liabilities</b>	<b>1 226.3</b>	<b>1 935.3</b>	<b>1 952.7</b>
Current interest-bearing liabilities	1 161.0	759.9	520.5
Other current non interest-bearing liabilities	1 143.0	1 005.5	901.8
<b>Total current liabilities</b>	<b>2 304.0</b>	<b>1 765.4</b>	<b>1 422.3</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>6 912.4</b>	<b>6 773.1</b>	<b>6 491.1</b>

\* Corresponding to a book value of NOK per share

36.0

# Cash flow statement

<u>(figures in NOK million)</u>	Q4 2019	Q4 2018	2019	2018
Net cash flow from operating activities	943.7	675.1	985.9	427.0
Net cash flow from investment activities	(9.7)	(59.2)	64.1	20.6
Net cash flow from financing activities	(243.6)	(381.0)	(528.4)	(276.1)
Net change in cash and cash equivalents	690.4	234.9	521.7	171.5
<b>Cash and cash equivalents at start of period</b>	<b>488.3</b>	<b>422.1</b>	<b>657.0</b>	<b>485.6</b>
<b>Cash and cash equivalents at end of period</b>	<b>1 178.7</b>	<b>657.0</b>	<b>1 178.7</b>	<b>657.0</b>

# Operational highlights – key operating figures

	Q4 18	Q1 19	Q2 19	Q3 19	Q4 19
Antall solgte enheter	148	243	210	159	140
Antall igangsatte enheter	402	97	311	174	248
Antall ferdigstilte enheter	441	12	307	203	254
Antall overleverte enheter	421	29	246	243	214
Antall enheter under bygging	1 449	1 534	1 538	1 510	1 504
Andel solgte enheter under bygging	66%	70%	71%	72%	70%
Antall ferdigstilte ikke solgte enheter	26	13	48	34	56
Salgsverdi av bolig i produksjon (NOK millioner)	6 712	7 097	7 039	7 192	7 155
	91	91	91	91	91

# EBITDA Q4 2019

<b>(figures in NOK million)</b>	Property development	Other	Total
<b>Operating revenues</b>	1 043.5	19.0	1 062.4
Project expenses	(737.8)	(0.4)	(738.2)
Other operating expenses	(19.2)	(72.3)	(91.5)
<b>EBITDA (percentage of completion)</b>	<b>286.4</b>	<b>(53.7)</b>	<b>232.7</b>

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

## IFRS EBITDA for the quarter, per segment

Operating revenues	1 395.5	19.0	1 414.4
Project expenses	(936.3)	(0.4)	(936.7)
Other operating expenses	(16.6)	(72.3)	(88.9)
Share of income (losses) from associated companies and joint ventures	(13.7)	-	(13.7)
<b>EBITDA</b>	<b>428.9</b>	<b>(53.7)</b>	<b>375.2</b>

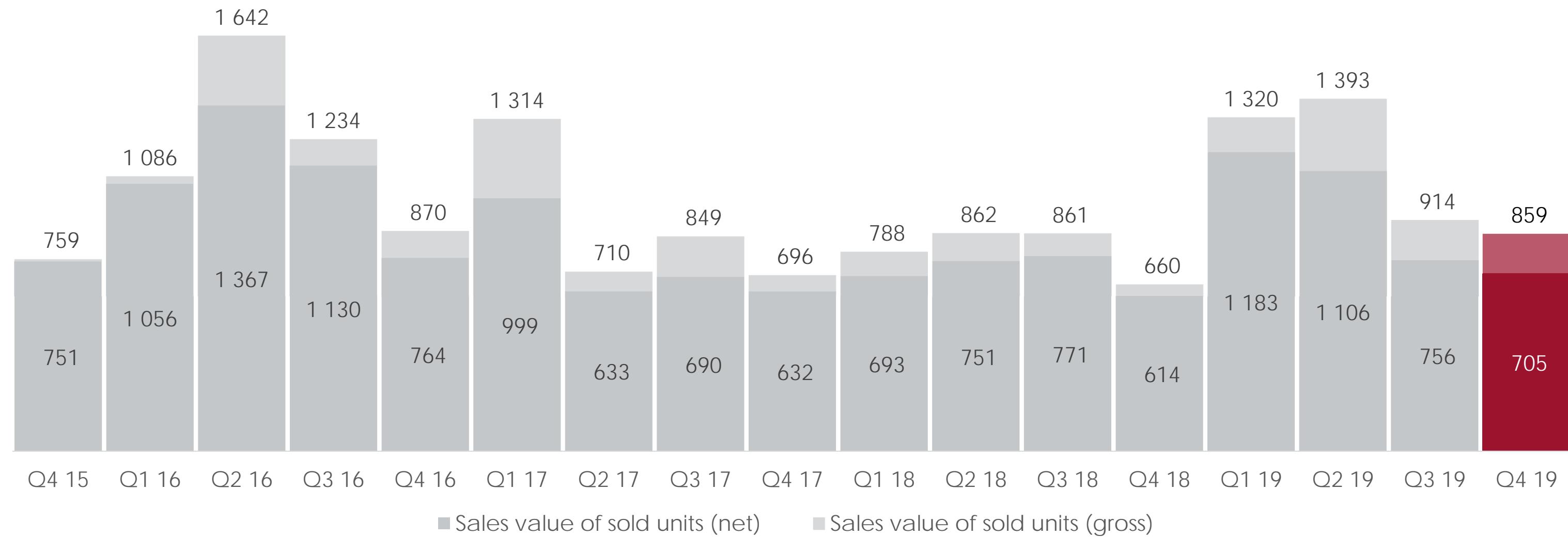
Units in production	1 504	N/A	N/A
Units delivered	214	N/A	N/A

Note: EBITDA is operating profit before depreciation, gains (losses) and profit from associated companies

# Value of units sold - gross and net

## Sales value of units sold

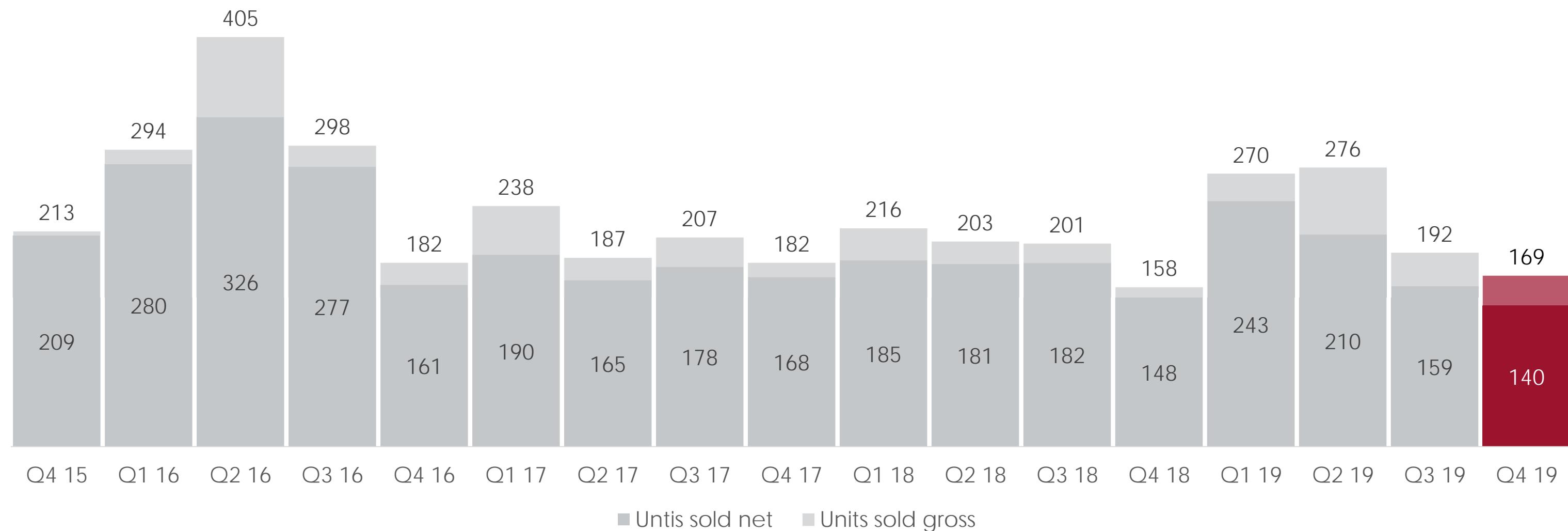
NOK million



# Number of units sold - gross and net

## Number of units sold

Units

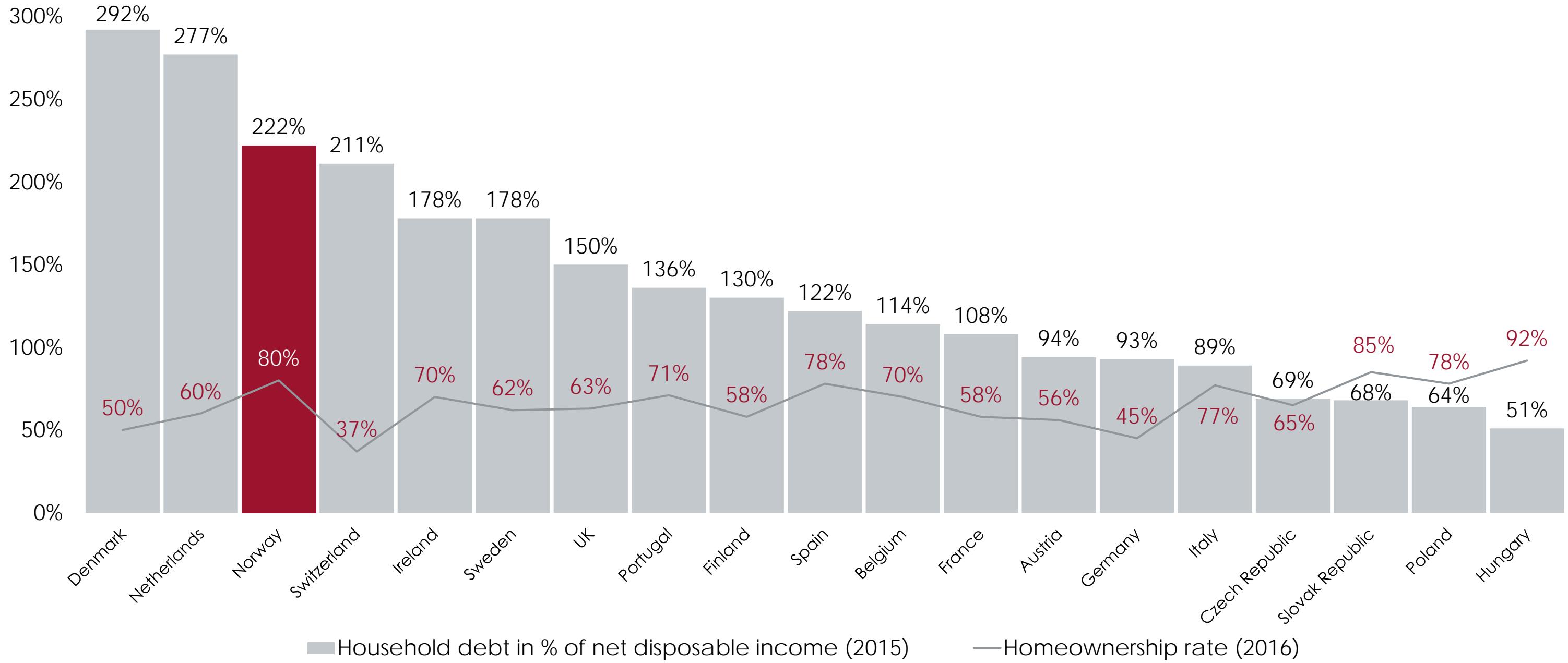


# Norwegian housing market

- Low risk for housebuilders
  - Advance sales: banks require that 50-70% of homes are sold before construction starts
  - Binding offers: offer to purchase is a binding sales contract, and requires a minimum 10% cash deposit
- High level of home ownership
  - 85% (one of the world's highest)
- Economic benefits for home owners
  - 23% of mortgage loan interest payments are tax deductible
  - Transfer stamp duty for new houses is lower than for second-hand homes
- Strong population growth
  - Norway's urban areas are among the fastest growing in Europe
  - Good demand for new homes

Sources: Selvaag Bolig and Eurostat

# Total household debt and homeownership

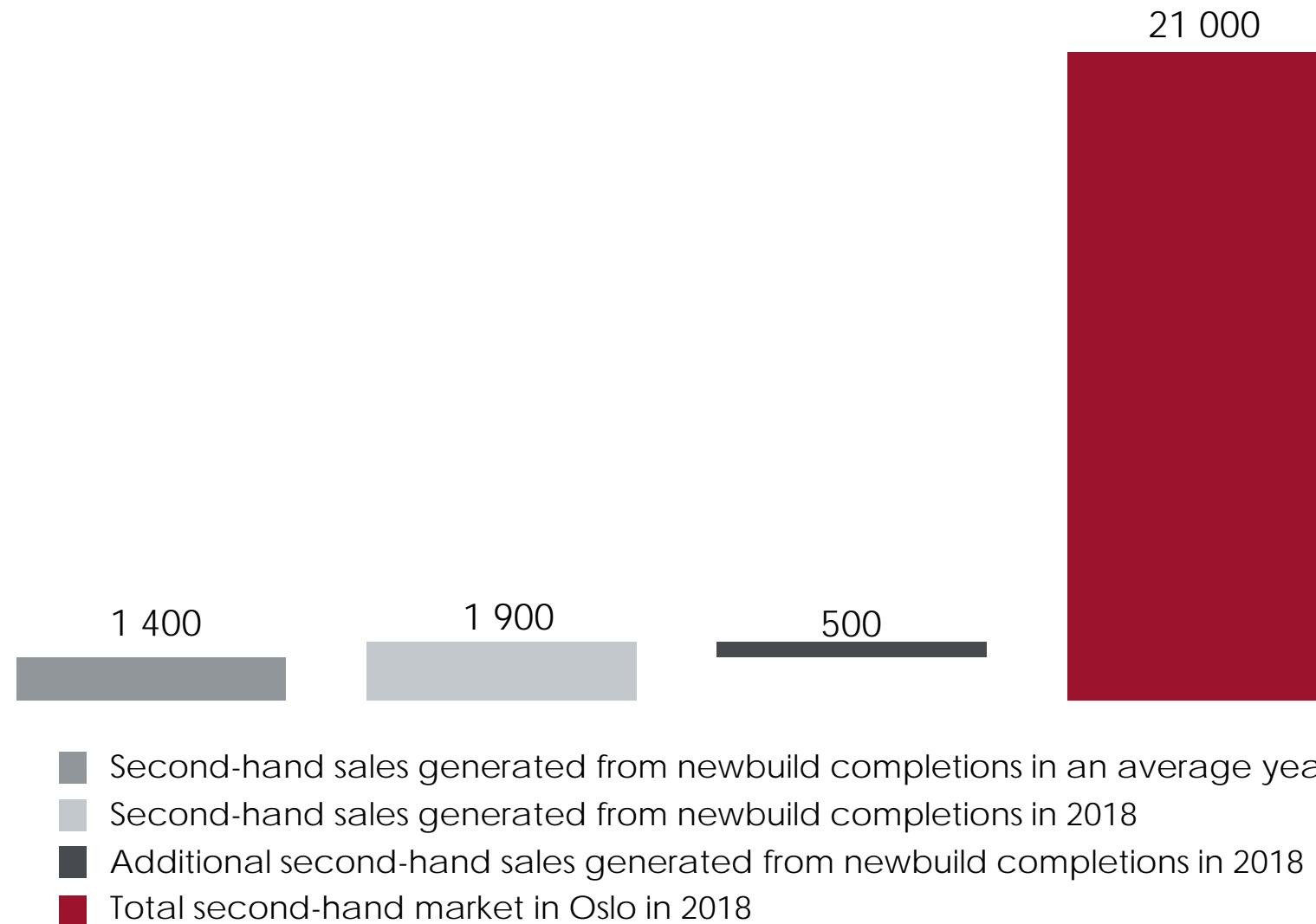


Source: OECD, Prognosenteret

# Increase in newbuild completions has limited effect on second-hand market

## Newbuild effect on total second-hand market in Oslo for 2018

Units

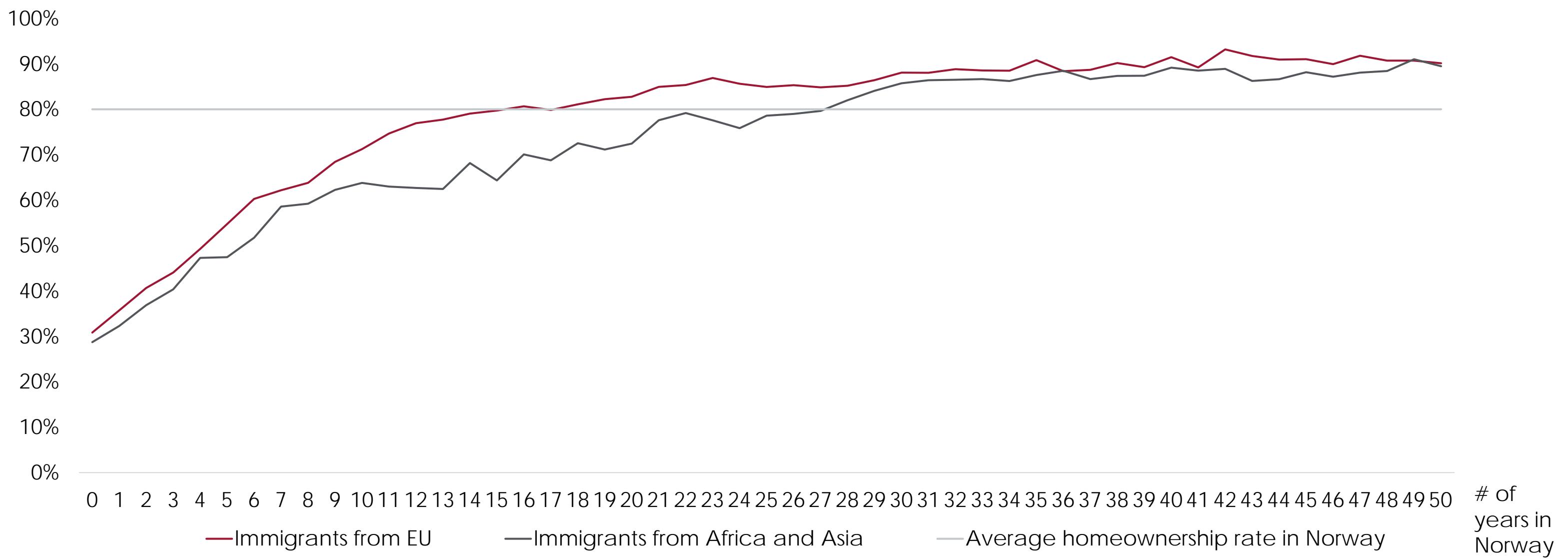


- On average ~ 1 400 units are added to the second-hand market in Oslo (based on ~ 2 800 completed newbuild units)
- Completion of 3 800 newbuild units in 2018 will add ~ 1 900 units to the second hand market in Oslo
- The additional ~ 500 units in 2018 will have a limited effect on second-hand market in Oslo

Source: Selvaag Bolig, Eiendomsverdi

# Immigration increases demand over time

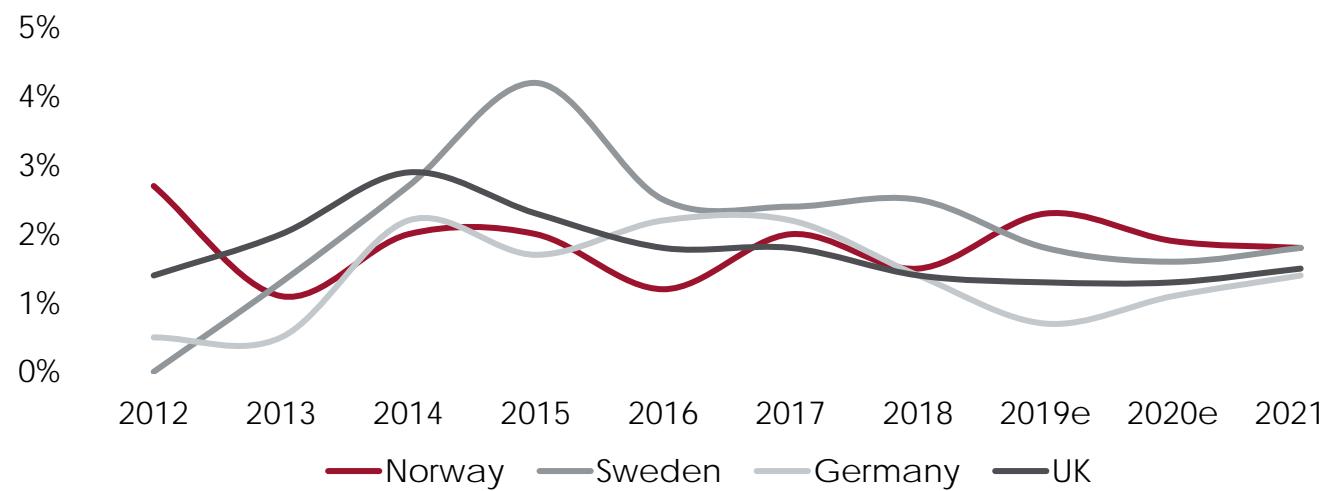
Homeownership rate among immigrants in Norway (per year living in Norway)



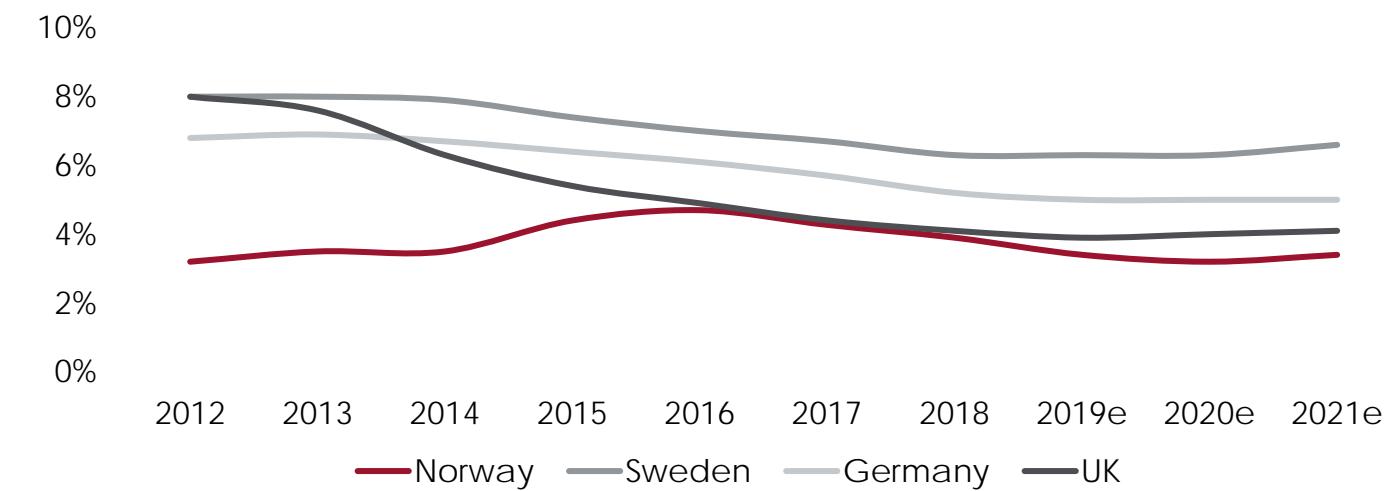
Source: Statistics Norway

# Norway – robust economic conditions

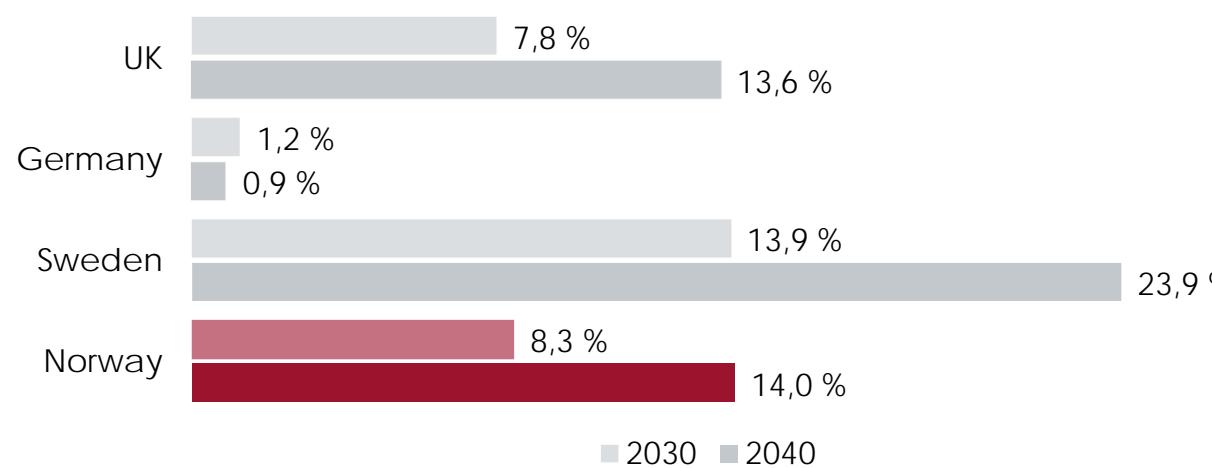
GDP growth 2012 - 2021e



Unemployment 2012 - 2021e

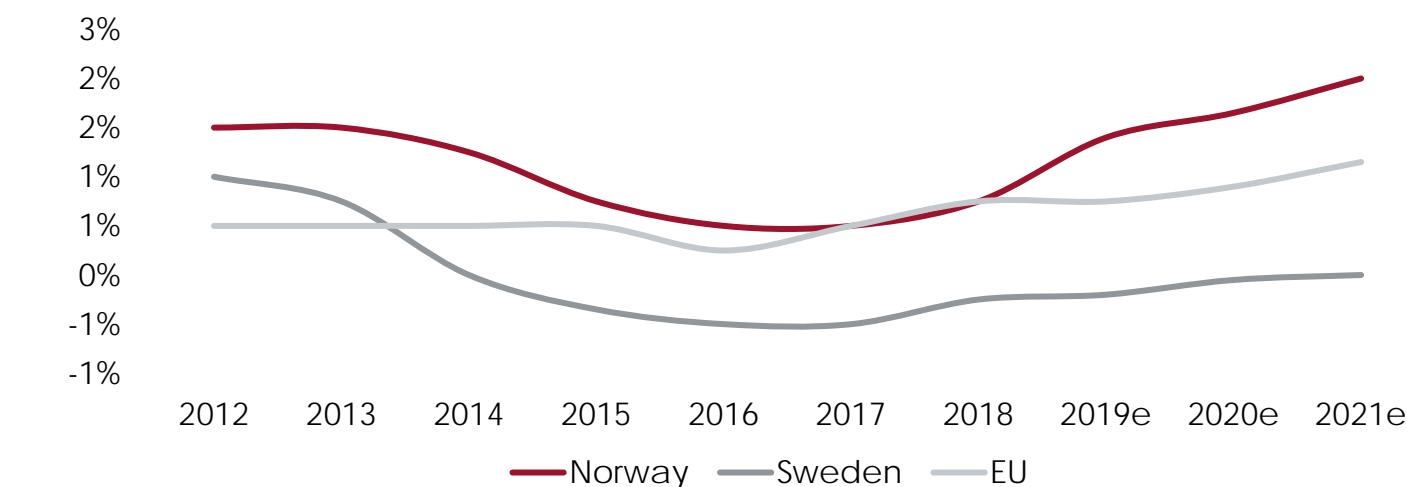


Population growth 2018 - 2030e and 2040e



Source: International Monetary Fund, Eurostat

Interest rates 2012 - 2021e



SELVAAG BOLIG