



Quarter 3 2008 presentation

5 November, 2008

Lars Nilsen, CEO

Q3 2008 Highlights – Group

- Solid revenues; NOK 655 million, however
 - Down 6.5% y/y
- Continued strong EBITDA margin
 - EBITDA margin 12.3 %, EBITDA NOK 80 million
- Strengthened Swedish operation
 - EBITDA up 17.7 % y/y
- Demanding market situation
 - New orders down 24.1% and order backlog down 20.6% y/y
 - Still strong order backlog
- Cost reduction programs as planned
 - Number of employees reduced by approx. 160 per Q3 2008
 - In total approx. 450 employees (33 %) during Q1 2008 until end Q1 2009

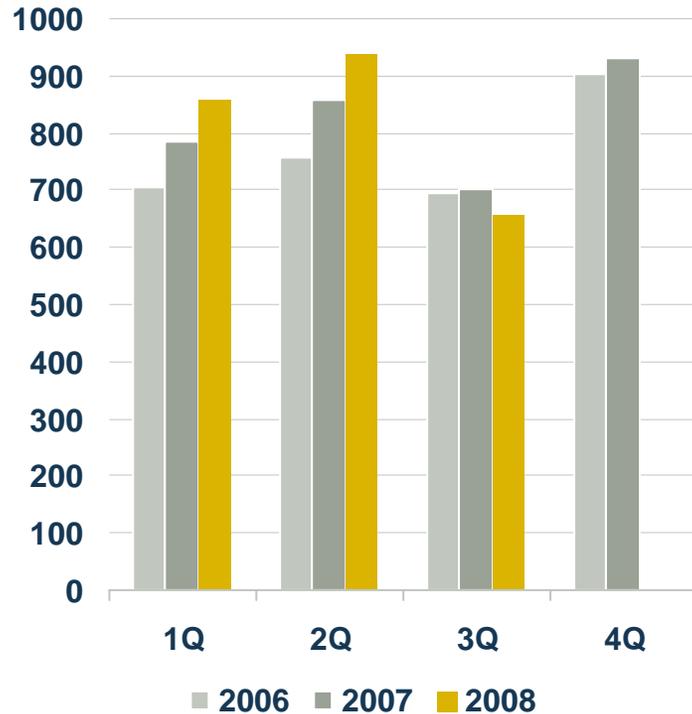
Key figures Q3 2008

NOK million	Q3-2008		Q3-2007		Y/Y
Operating revenue	655		701		- 6.5 %
EBITDA	80	12.3 %	88	12.5 %	- 8.2 %
EBIT	71	10.8 %	73	10.4 %	- 2.7 %
Profit before tax	21	3.1 %	44	6.3 %	- 53.2 %
Net profit	15	2.3 %	32	4.5 %	- 51.9 %
EPS (NOK)	0.23		0.48		
New orders	531		699		- 24.1 %
Order backlog	1 678		2 113		- 20.6 %
No of employees	1 202		1 342		

Key figures 30.09.2008

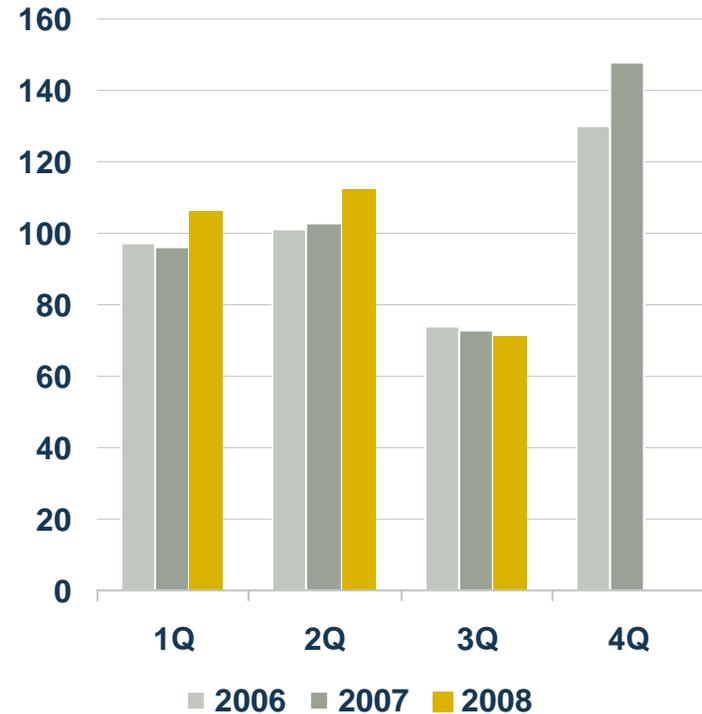
NOK million	30.09.2008		30.09.2007 (pro forma)		Y/Y
Operating revenue	2 450		2 342		+4.6 %
EBITDA	310	12.7 %	286	12.2 %	+8.6 %
EBIT	289	11.8 %	282	12.0 %	+2.7 %
Profit before tax	187	7.6 %	206	8.8 %	- 9.4 %
Net profit	135	5.5 %	147	6.3 %	- 7.9 %
EPS (NOK)	2.05		2.22		
New orders	2 123		2 622		- 19.0 %

Quarterly development: Revenues: - 6.5 %



Revenue Q3-2008: NOK 655 million.
Revenue Q3-2007: NOK 701 million.

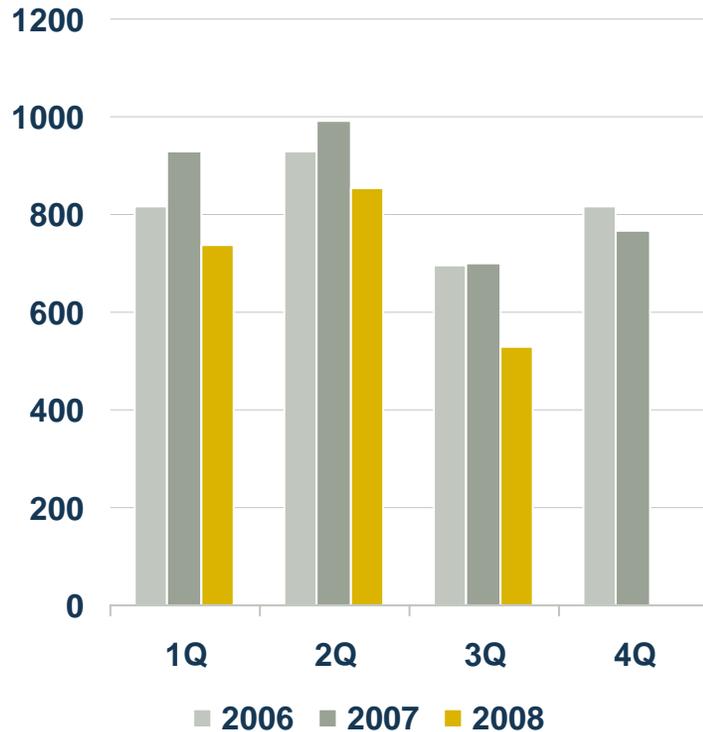
EBIT: - 2.7 %



EBIT Q3-2008: NOK 71 million, 10.8% margin.
EBIT Q3-2007: NOK 73 million, 10.4% margin.

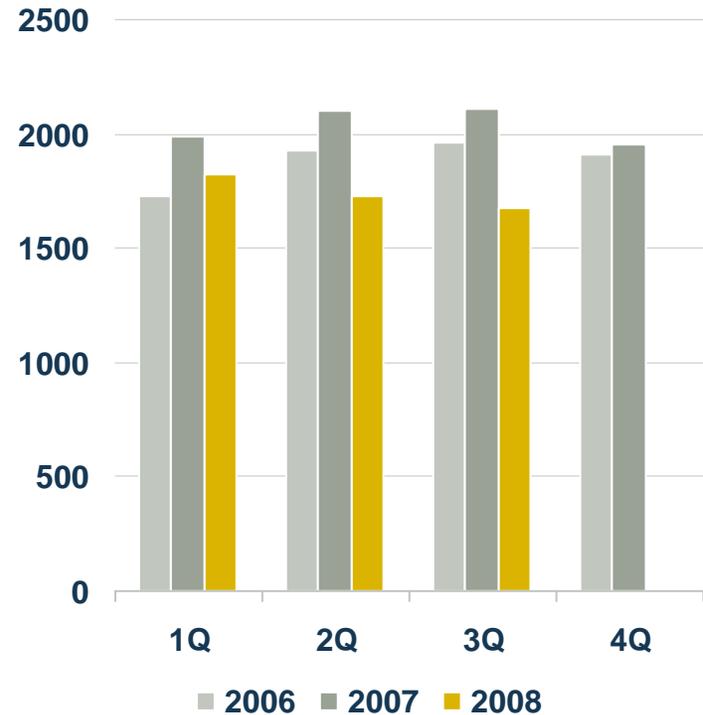
Quarterly development:

New orders: - 24.1 %



New orders Q3-2008: 531 million.
 New orders Q3-2007: 699 million.

Order backlog: - 20.6 %



Order backlog Q3-2008: NOK 1 678 million.
 Order backlog Q3-2007: NOK 2 113 million.



The Norwegian operation

Norway:

Q3 2008 Financials



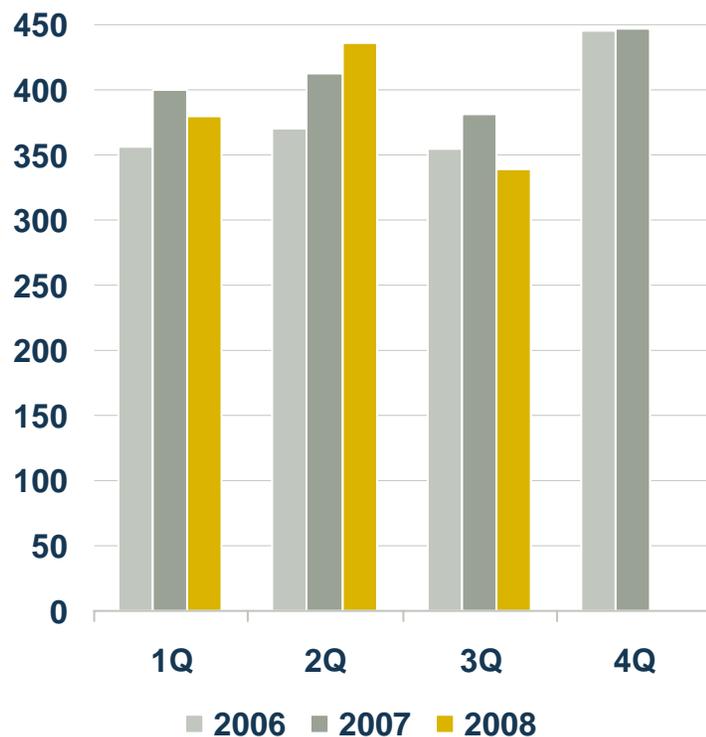
- Revenues NOK 339 million, down 11.3 %
- Continued strong margins: EBITDA 17.0 %
- New orders down 26.7 %.
Per Q3 new orders down 6.9 %, order backlog down 27.8 %
- Cost reduction programs as planned

NOK million	Q3-2008		Q3-2007		Y/Y
Operating revenue	339		382		- 11.3 %
EBITDA	57	17.0 %	68	17.7 %	- 15.2 %
EBIT	55	16.3 %	66	17.2 %	- 16.1 %
No of employees	626		702		

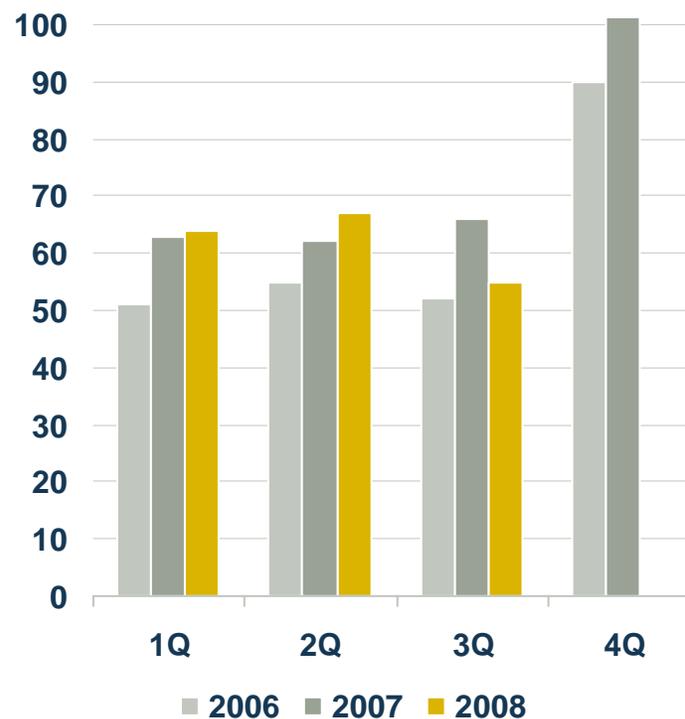
Norway Q3-08:

Operating revenues – 11.3 %

EBIT – 16.1 %

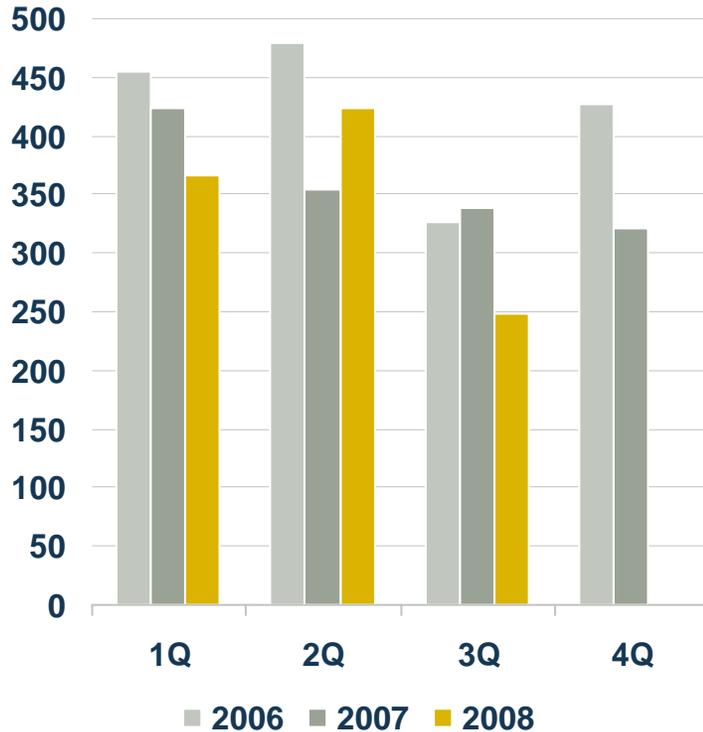


Revenue Q3-2008: 339 million.
Revenue Q3-2007: 382 million.



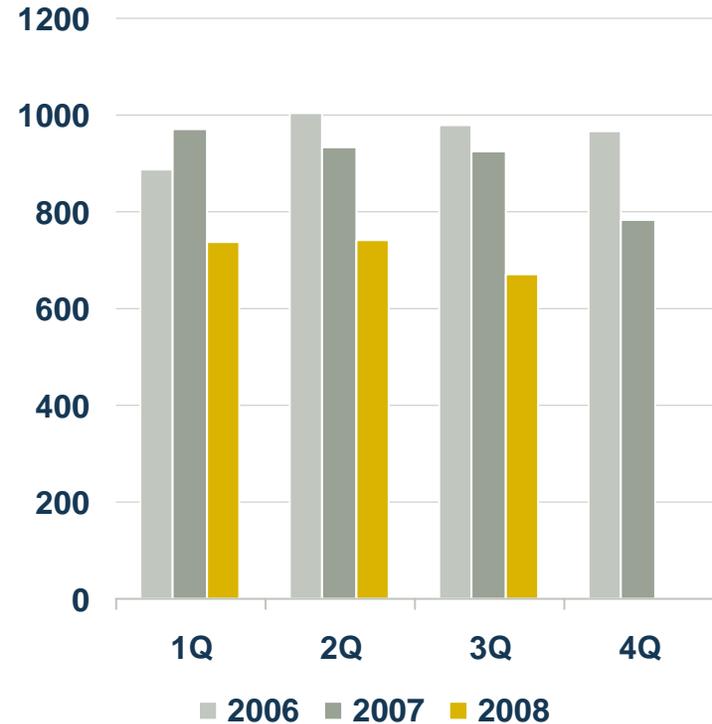
EBIT Q3-2008: NOK 55 million.
EBIT Q3-2007: NOK 66 million.

Norway per Q3-08: New orders – 6.9 %



New orders Q3-2008: 248 million.
New orders Q3-2007: 339 million.

Order backlog – 27.8 %



Order backlog Q3-2008: NOK 669 million.
Order backlog Q3-2007: NOK 926 million.

Norway: Q3 2008 Highlights

- Maintained strong margins reflecting effective operations
- Demanding market situation. Intensified by the highly restricted credit policy
- On-going focus on sales activities
- Number of employees reduced by approx. 40 during Q3 (ordinary turn over, retirement and dismissals)
- All investments in new infrastructure stopped, focus on reducing capital employed in on going projects



Norway: Hetlandhus

- Hetlandhus a well known brand to be re-introduced in the Norwegian market.
- Highly standardized product in the “value for money” segment, based on SmålandsVillan
- Børre Aursnes engaged as manager. He will take up his position on 1 January 2009
- Nine standard houses, housing catalog and web-site due ready for launching in November





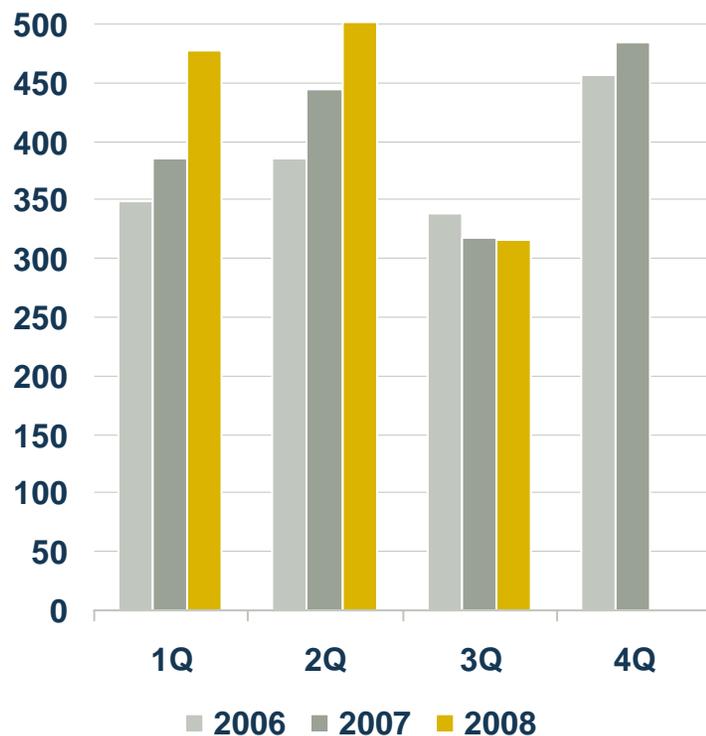
The Swedish operation

Sweden: Q3 2008 Financials

- Revenues in line with Q3 2007
- Improved operations reflected: EBITDA up 17.7 %
- New orders down 21.6 %. Per Q3 new orders down 28 %
Order backlog down 15 %, but still strong
- Cost reduction programs as planned

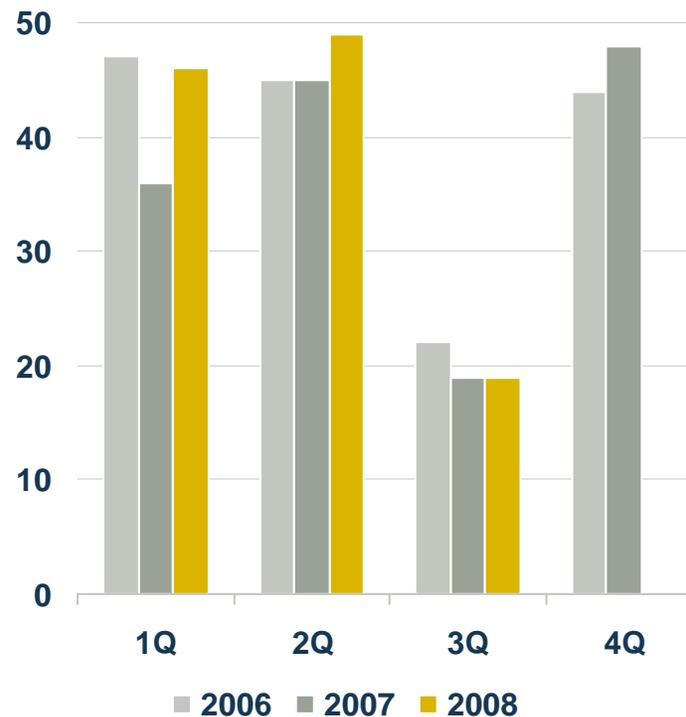
NOK million	Q3-2008		Q3-2007		Y/Y
Operating revenue	316		318		- 0.7 %
EBITDA	27	8.4 %	23	7.1 %	+17.7 %
EBIT	19	6.1 %	19	6.1 %	- 0.5 %
No of employees	571		637		

Sweden Q3-08: Operating revenues in line



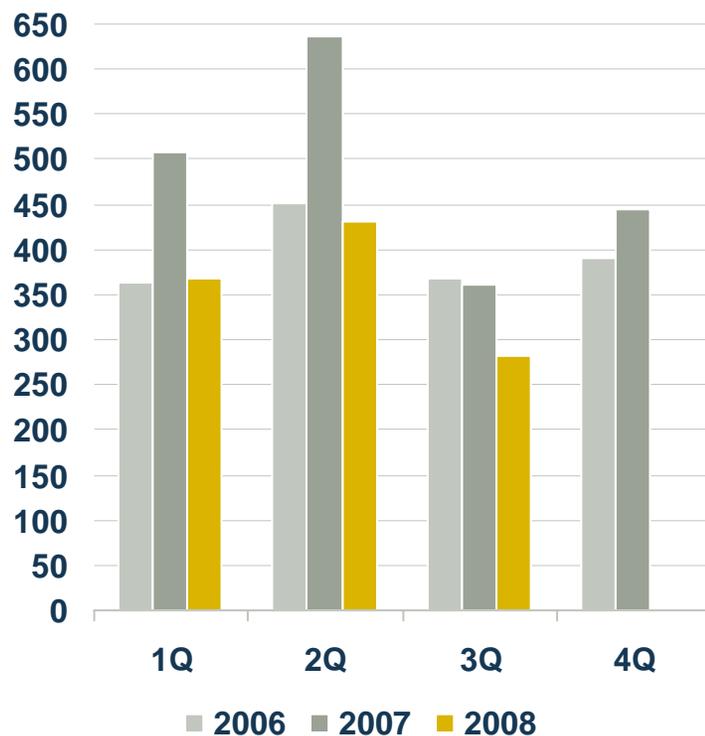
Revenue Q3-2008: 316 million.
Revenue Q3-2007: 318 million.

EBIT in line



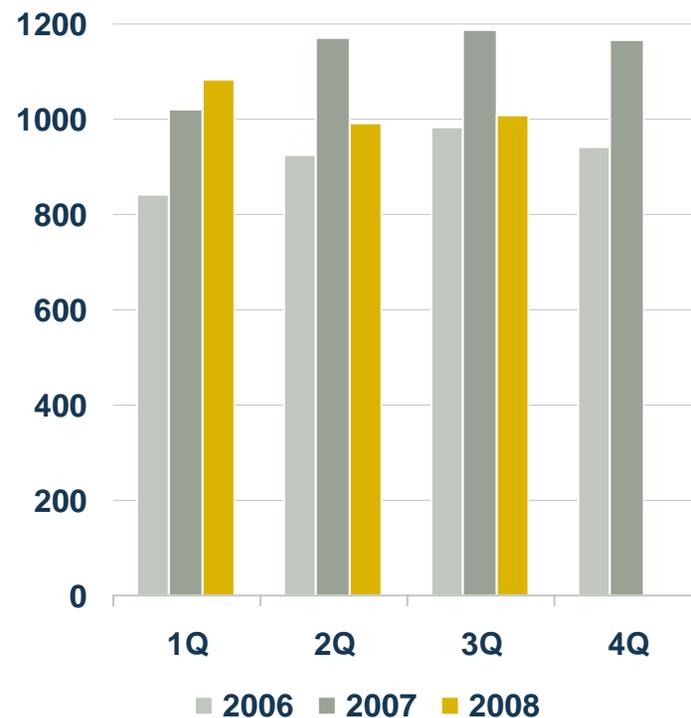
EBIT Q3-2008: NOK 19 million.
EBIT Q3-2007: NOK 19 million.

Sweden per Q3-08: New orders – 28.0 %



New orders Q3-2008: 282 million.
New orders Q3-2007: 360 million.

Order backlog – 15.0 %



Order backlog Q3-2008: NOK 1 009 million.
Order backlog Q3-2007: NOK 1 187 million.

Sweden: Q3 2008 Highlights

- Solid operation and production efficiency
- Demanding market situation. Intensified by the highly restricted credit policy
- On-going focus on sales activities
 - Rakennusalfa - new sales agent for Myresjöhus in the Finnish market
 - SmålandsVillan – two new house types and new housing catalog were launched in Q3
- Number of employees reduced by approx. 30 in Q3. Approx. 125 employees received redundancy notices
- No new infrastructure investments, focus on reducing capital employed in own project development





Summary Q3 2008 and going forward

Credit freeze: Severe impact on the housing sector

- Escalated global financial turmoil
- Intensified difficult market in September/October
- Credit freeze and bridging loans not granted
- Financial "rescue programs" and reduced interest rates will eventually give positive effects. Money market rates are falling
- Increased activity in used homes sales is crucial



Maintaining profitability : Well positioned and prepared

- BWG is positioned in the lower end of price
- Our core business is the “affordable home” segment
- Focused on residential projects in the outskirts of urban areas
- Well known brands and well-proven highly efficient construction methods
- Dedicated staff

Utbygger	Antall prosjekter	Pris per kvm.
Selvaagbygg	12	34,3
Block Watne	42	23,3
Veidekke	12	36,4
PEAB	5	39,1
Scandinavian Development	8	50,2
Byggholt as	16	31,9
Planbo as	9	28,8
OBOS	4	36
Skanska Bolig as	8	38,4
Urbanium as	2	48,7
Hagan Eiendom as	3	32,7
Usbl	5	41,1
Lodalen Utvikling da	2	43,1
Ensjøveien 25 as	3	44,3
Marienlyst eiendom	3	27,2

Source: Dagens Næringsliv, 29 October 2008

Intensified cost reduction programs: Lowering costbase



- Temporary staff agreements terminated
- Staff reduction
 - Approx. 160 employees (12%) end Q3 2008
 - Total approx. 450 employees (33 %) during Q1 2008 until end Q1 2009
- Renegotiations with suppliers and subcontractors
- On-going focus on more cost efficient products and production processes
- No investments in new sites/new infrastructure
- Reduce capital employed in projects; reduce debts
 - Complete housing projects in progress
 - Focused sales of the right projects and products

Going forward: Q3 2008 key points and outlook Q4 2008

- 12.3% EBITDA margin in a very demanding third quarter
- At 30.09.2008; increased revenue, EBITDA and EBIT
- Strengthened Swedish operation
- Intensified cost reduction programs as planned
- Focus on sales sales sales
- Secured order back log NOK 1.7 billion
- Preparing for further demanding market, securing optimal operations
- Decreasing interest rates will give relief



Welcome back
4th quarter 2008: 12 February 2009 at 11:00 hrs

