

MAGNOLIA

**Magnolia Bostad
Interim Report
The Group
1 January-
31 March 2019**

Q1

Interim Report January-March 2019

January - March 2019

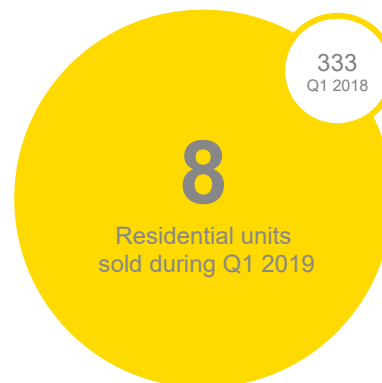
- Net sales amounted to SEK 37 m (532).
- The operating profit was SEK 122 m (113), of which SEK 165 m (-) refers to unrealized changes in value.
- The net profit for the period before tax was SEK 80 m (80) and the profit after tax was SEK 46 m (80).
- Earnings per share after deductions for minority shares was SEK 1.00 per share (2.14).

Significant events January - March 2019

- The Brogårdstaden project with an estimated 840 residential units is included in projects for self-management from the first quarter of 2019.
- Project closed, Maria Forum in Helsingborg with an estimated 292 residential units.

Significant events after the end of the quarter

- No significant events after the end of the period.



KPIs, Group

	2019 Jan-Mar	2018 Jan-Mar	2018/2019 Apr-Mar	2018 Jan-Dec
Project-related				
Number of sold apartments during the period	8	333	989	1,314
Number of sold apartments in production	6,726	6,032	6,726	7,008
Number of estimated building rights in the portfolio	16,276	16,001	16,276	17,228
Financials				
Operating margin (%)	329.7	21.2	31.0	15.6
Return on equity (%) ¹	-	-	neg	1.0
Equity/assets ratio (%)	30.6	34.4	30.6	30.3
Interest coverage ratio (multiple) ²	-0.3	3.9	-0.3	0.7
Share-related				
Earnings per share (SEK) ¹	1.00	2.14	-0.88	0.26
Equity per share (SEK) ¹	25.80	28.42	25.80	24.77

¹ Excluding the minority

² Calculated on rolling 12-month basis.

For definitions of alternative KPIs that are not defined in IFRS, see page 26

A word from the CEO

We are seeing continued strong demand for our projects and during the quarter we were granted legally binding zoning plans for around 1,300 residencies.



For the quarter, Magnolia Bostad is reporting an operating profit of SEK 122 million (113 m). The quarter has been characterized by intensive work to refine the project portfolio and to procure turnkey contracts for our upcoming project sales.

Strong demand

The housing shortage in the majority of the country's municipalities is tangible and this shortage is acute in the metropolitan regions. The queue for rental housing in Stockholm, Göteborg and Malmö has increased by 225,000 people between 2015 and 2018, an increase of 30%. Despite this, demographic needs far exceed the number of completed homes and in the short term we are seeing a reduced proportion of planned projects. The new amortization requirements and tougher requirements for mortgages have contributed to the falling production rate for tenant-owned apartments and smaller houses. When the conditions for buying and owning private housing deteriorate, rental housing becomes the primary route to new housing for many people.

With these rental properties' conditions, interest is significant among both Swedish and foreign investors. Low interest rates, combined with limited rental risk, have contributed to falling direct yields and a positive value development for rental properties.

Another positive factor for our business is the fact that the reintroduction of investment support for the construction of rental housing has been included in the spring budget. This investment support is creating good conditions for further projects in more regions.

Project sales

Over the past five years, we have acquired one of the country's largest building rights portfolios for the production of rental apartments. In parallel with this, we have worked intensively to refine the project portfolio, especially in terms of projects that have not yet been granted zoning planning for housing production.

The process of being granted zoning planning is labour-intensive and most times time-consuming, but it creates significant corporate value at the same time.

Looking back, the company initially carried out sales where land was acquired with zoning planning in place. To meet the increasing demand that the market and investors are looking for and to make start of production more predictable, within the company we need to prioritise zoning planning to a greater extent.

During the first quarter of 2019, we are seeing the results of this work, as we have been granted legally binding zoning plans for three projects of around

1,300 residencies combined. All of these residencies are included in our agreement with Heimstaden Bostad and as soon as we have entered into turnkey contracts, these will be divested and the earnings thereby recognized.

Magnolia Bostad's assessment of future production start-ups is revised on an ongoing basis and our overall assessment is updated at the start of each quarter. We estimate that in 2019 the company will be able to start the production of about 3,000 building rights. Out of these, legally binding zoning plans had been granted for around 2,100 by the end of the quarter.

Sustainability

We have recently signed up to the Building and Construction Industry's roadmap towards a climate-neutral industry by 2045. For us, this means a responsibility and a commitment and a clear plan for the future in our sustainability work.

Future

In summary, the strong demand for the company's products, combined with already-concluded framework agreements for project sales, lead to good conditions for our project portfolio, which currently consists of just over 16,000 building rights.

Fredrik Lidjan
CEO

The Market

The transaction volume for the first quarter shows an active property market and the interest in rental apartments is huge.

Property transaction market¹

The property transaction market has shown a positive trend for several years, with falling direct yields and rising prices in most property segments and geographic markets in Sweden.

The low interest rate has produced advantageous financing and led to the fact that property is still seen as an attractive alternative investment from a risk and return perspective. Foreign investors have shown great interest through direct investments and structural transactions and have been net buyers in the Swedish transaction market over the past two years.

The transaction volume in the first quarter of 2019 was SEK 35 billion, of which foreign investors accounted for 37% of the volume. The transaction volume for the first quarter showed a strong, active property market.

During the first quarter of 2019, offices was the segment in which most investments were made, with 39% of the transaction volume, followed by rental apartments at 21%. Municipal property accounted for 5% and hotels 1% of the total volume.

Geographically, Stockholm accounted for the largest share of the transaction volume with 40% in the first quarter of 2019. Regional cities² accounted for 31%, Göteborg for 11% and Malmö for 10%.

Rental accommodation

The direct yield for centrally located, older, residential rental properties in Stockholm, Göteborg and Malmö was estimated at around 1.45%, 1.65% and 2.40%, respectively, at the end of the first quarter. The direct yield for residential rental properties in regional cities is judged to be somewhat higher than in

the major cities, but is still relatively low at between 3.00% - 4.00%.

For newly built residential rental properties in Greater Stockholm, Greater Göteborg and Malmö, the direct yield is estimated to be 3.45%, 3.75% and 3.95%, respectively. In larger cities and regional cities, the level is estimated to be in the range of 3.75% - 4.75%.

Residential care property

Municipal property including residential care property has seen a significant increase in value in recent years and has become an increasingly attractive segment to invest in. With a growing and aging population, demand for care homes and other municipal property will continue to increase. Many municipalities face major challenges in being able to offer their residents various types of community properties.

The direct yield for older residential care property in Stockholm, Göteborg and Malmö is estimated to be in the range of 3.75% - 4.75%, 4.0% - 5.0% and 4.25% - 5.25%, respectively. In the country's regional cities, the direct yield is estimated to be in the range of 4.25% - 5.50%.

For newly built residential care properties with long lease agreements, the direct yield is often considerably lower.

Hotels

The hotel market has been stable, with good underlying demand for hotel room occupancy. This is a continual strong market supported by the global travel market, which is growing strongly through the new addition of travellers from countries with a rapidly growing middle class. The transactions completed in central locations indicates direct yields that marginally exceed the yields for offices in corresponding positions, provided that the bulk of the rent is

fixed or index-adjusted and only a small portion is sales-based.

The direct yield for older hotels in Stockholm, Göteborg and Malmö is estimated to be in the range of 3.75% - 5.50%, 4.50% - 5.50% and 4.75% - 5.75%, respectively.

Tenant-owned apartments³

The market for tenant-owned apartments has been turbulent since the end of summer 2017, when a prolonged price increase stopped while the supply of tenant-owned apartments rose sharply. In 2018, prices stabilized, but many projects, especially in the major cities, have been difficult to sell.

The tenant-owned apartment market in Sweden is characterized by regional differences and during the first quarter of 2019, the price trend for tenant-owned apartments for the country as a whole was slightly negative at -0.1% compared with the same period last year. Low interest rates have strengthened purchasing power and increased the willingness to invest for consumers and investors, while new amortization requirements and loan terms have made financing residences more difficult.

Source: Newsec

1) Transactions exceeding SEK 40 m.

2) Luleå, Umeå, Sundsvall, Gävle, Uppsala, Västerås, Örebro, Karlstad, Norrköping, Linköping, Jönköping, Växjö, Helsingborg and Borås.

3) Source: Mäklarstatistik

During the first quarter of 2019, occupation of Magnolia Bostad's rental project Maria Mosaik in Helsingborg began.



Earnings, financial position and funding

Comparisons provided in parentheses refer to the corresponding figure for the previous year except in sections that describe the financial position and financing. These figures refer to the end of the previous year.

Interim Report 1 January - 31 March 2019

Net sales amounted to SEK 37 m (532) and the operating profit was SEK 122 m (113). The profit before tax was SEK 80 m (80).

Distribution of revenue	2019 Jan-Mar	2018 Jan-Mar
Property sales	-8	478
Sum of revenue recognised at a point in time	-8	478
Project management	6	11
Rent	3	13
Other invoicing for the projects and other revenue	36	30
Sum of revenue recognised over in time	45	54
TOTAL REVENUE	37	532

Cash flow from the sale of projects is partly received in connection with the exit of the project via forward funding, since Magnolia Bostad is paid by the buyer for investments made up to this point. Magnolia Bostad often receives a part of the project gains in cash at the handover. The remaining cash flows from property sales are received in connection with project completion. For sales of undeveloped property, the entire consideration is normally received in connection with the handover.

Other income, such as rent, project management and invoicing to the projects, is reported and invoiced on an ongoing basis.

The number of residential units sold fell to 8 (333). All sold properties during the period are tenant-owned apartments, compared to the same period last year when 333 rental units were sold.

Rental income fell to SEK 3 m (13) due to the sales of Instrumentet 2 and Skogskarlen 3 in the first quarter of 2018. Operating costs for properties that generate rental income fell to SEK -2 m (-4). Net operating income from rent-generating properties fell to SEK 1 m (9). Net operating income contributes to the operating profit.

Magnolia Bostad has increased its organization compared to the same period last year, which explains the increase in costs for central administration to SEK -15 m (-12).

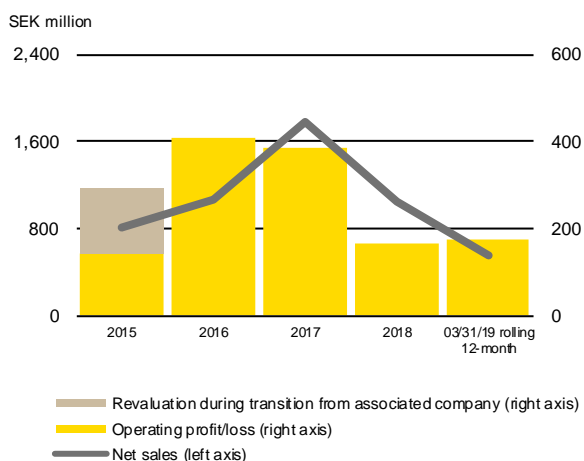
The result from associated companies was SEK -9 million (-3) and was affected by the results from Sollentuna Stinsen JV AB and Skogskarlen Bergshamra Holding AB.

Changes in the value of investment properties was SEK 165 million (-). During the first quarter, Brogårdstaden was transferred to the long-term management portfolio and reported at fair value, which explains most of the period's reported change in value.

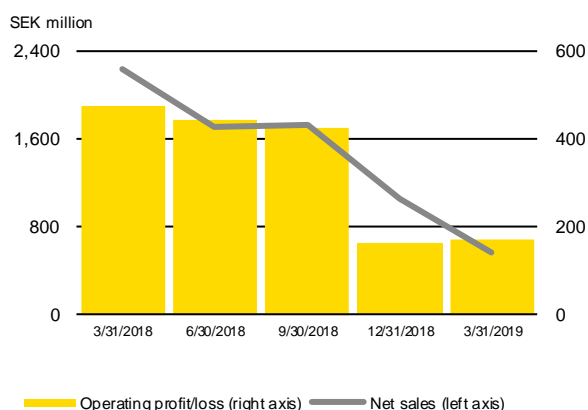
Net financial items

Net financial items amounted to SEK -42 m (-33). The increase in financing costs is due to higher average interest rates and that total interest-bearing liabilities were higher on average during the period than in the same period last year.

Net sales & operating profit/loss, full-year



Net sales & operating profit/loss, rolling 12-months



The higher average interest-bearing liabilities are due to the issue of additional corporate bonds of SEK 200 million within the existing framework, which was carried out at the end of the first quarter of 2018, the issue of a new unsecured bond loan of SEK 500 million within a framework of SEK 700 million and reporting of leasing liabilities of SEK 60 million, in accordance with the new accounting standard for leasing, IFRS 16, which is applied as of 1 January 2019.

At the end of the period, Magnolia Bostad's average interest rate was 7.4% compared to 7.1% at year-end 2018/2019. The interest coverage ratio for the rolling 12 months was -0.3 times compared with 0.7 times for FY 2018. The definition of the interest coverage ratio has been changed to exclude unrealized changes in the value of investment properties, as this is judged to give a better picture of the company's ability to cover interest expenses.

Profit/loss for the period

The profit for the period was SEK 46 m (80) and includes SEK -34 m (0) in income taxes. Reported income taxes for the period relate to deferred tax on temporary differences for investment properties.

Financial position

The consolidated balance sheet total increased to SEK 3,712 m, compared with SEK 3,605 m at the beginning of the year. The increase is mainly due to investments made in ongoing projects.

Of the long-term and other receivables totalling SEK 1,292 m (1,418), SEK 1,014 m (1,142) are receivables with buyers of the projects, mainly at our partners and large Swedish institutions, while SEK 150 m (149) refers to deposits for future property acquisitions. Within the next 12 months, the Group is expected to receive SEK 357 m (280) of the total receivables from buyers of the projects as amortization of promissory notes, payment of additional considerations, final considerations and forward funding.

Properties held for long-term management are reported as Investment properties. During the first quarter, Brogårdstaden was transferred to the long-term management portfolio and reported at fair value. The reclassification and change in value of Brogårdstaden explains most of the period's increase in investment properties. At 31 March 2019, investment properties amounted to SEK 606 m (295).

Development and project properties have fallen as a result of the reclassification of Brogårdstaden to an investment property, while the Group continued to invest in the project portfolio during the period. During the quarter, development and project properties fell by SEK 7 million and amounted to SEK 1,189 m (1,196).

Shares in associated companies and joint ventures fell by SEK 5 m to SEK 101 m (106) due to the impact of the period's results of Sollentuna Stinsen JV AB and Skogskarlen Bergshamra Holding AB.

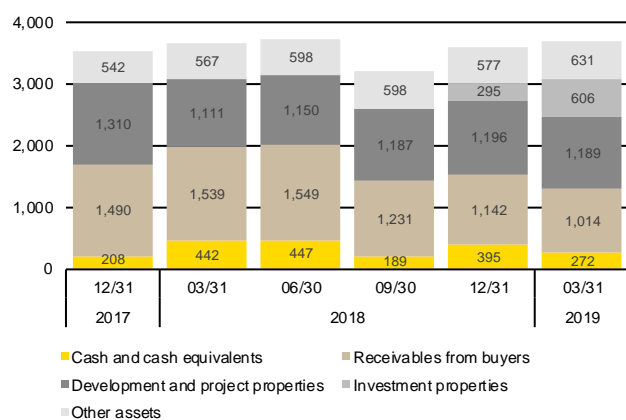
Equity and equity/assets ratio

On 31 March 2019, consolidated equity was SEK 1,136 m (1,093), with an equity/assets ratio of 30.6% (30.3), which is in line with the financial target of an equity/assets ratio of at least 30%. The minority share of equity was SEK 160 m (156).

Return on equity for the 12-month period that finished on 31 March 2019 was negative mainly due to the weak results in the second half of 2018.

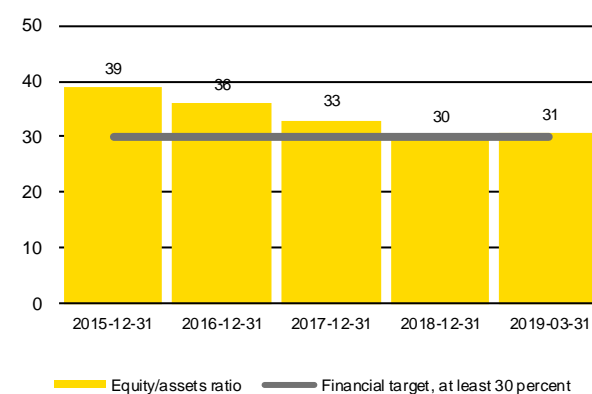
Distribution of assets

SEK million



Equity/assets ratio

%



Interest-bearing liabilities

Total interest-bearing loans, including interest-bearing deposits were SEK 2,171 m (2,192) as at 31 March 2019. The majority of Magnolia Bostad's liabilities comprise bond loans with a book value of SEK 1,431 m and bank financing of SEK 474 m, of which SEK 122 m is collateralized by property. The remaining interest-bearing liabilities consist of SEK 144 m in deposits and seller's repayments of SEK 121 million. The average tied-up capital period, excluding deposits and the utilized credit line, was 2.1 years at 31 March 2019, compared to 2.4 years at 31 December 2018.

After a deduction for liquid assets of SEK 272 m (395) interest-bearing net liabilities were SEK 1,899 m (1,797).

The largest part of the bank financing is linked to individual projects, where repayment occurs in conjunction with Magnolia Bostad's handover, or in connection with the payment of the final consideration from the buyer at the end of the project.

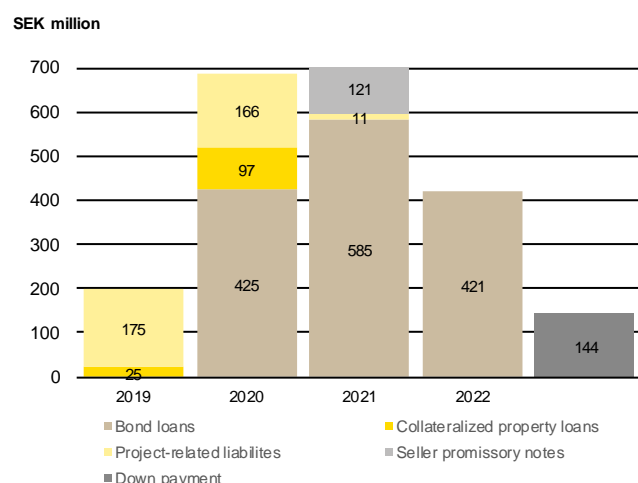
Receivables at buyers amounted to SEK 1,014 m (1,142), interest-bearing net liabilities after deductions for receivables from buyers, amounted to SEK 885 m (655), an increase of SEK 230 m compared with 31 December 2018. During the quarter, investment properties increased by SEK 311 m to SEK 606 m (295), which tied-up capital and partly is financed with interest-bearing liabilities.

Bond loans

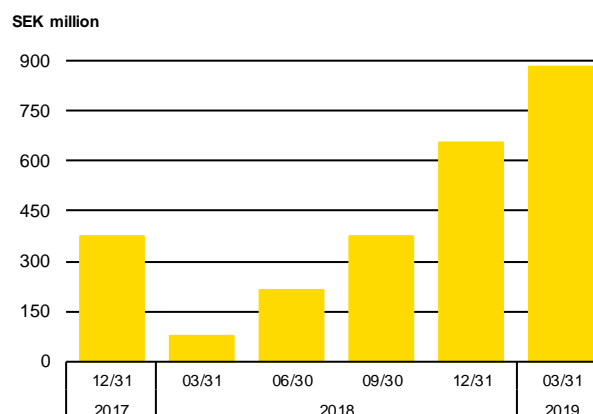
As at 31 March 2019, Magnolia Bostad had three outstanding bonds. A secured bond of a nominal SEK 450 m with a variable coupon of Stibor 3m + 6.25% (with a Stibor floor) and final maturity in April 2020, an unsecured bond of a nominal SEK 600 m pursuant to a bond frame of up to SEK 1 bn with a variable coupon of Stibor 3m + 7.25% (without a Stibor floor) and final maturity in October 2021 and an unsecured bond of SEK 500 million, which runs with a variable coupon of Stibor 3m + 8.50% (without a Stibor floor) maturing in October 2022.

The difference between book value and nominal amount on the bonds is due to bonds in own custody of SEK 89 million, bonds issued at a value below the nominal amount and paid settlement fees reported according to the effective interest rate method.

Maturity structure, SEK million



Interest bearing net liabilities with deduction for receivables at buyer



Cash flow and cash equivalents

The consolidated cash flow from operating activities for the period amounted to SEK -70 m (62). The cash flow for the period was affected by investments in the project portfolio which are reported as changes in development and project properties and where the cash flow amounts to SEK -128 m and payments received from buyers of the projects are reported as a change in operating receivables whose cash flow amounts to SEK 121 m.

The cash flow for the period from operating activities excluding investments and other changes in development and project properties, amounted to SEK 58 m (-147).

In connection with withdrawal, Magnolia Bostad will receive forward funding for the project, which means that Magnolia Bostad will be paid for investments made up to the date of withdrawal. Often, part of the project's profit is received in liquid form at the withdrawal. The remaining part of the project's profit is usually obtained in connection with project completion. This leads to a delay between the timing of reporting sales in the income statement and cash flows received.

The cash flow from investing activities amounted to SEK -15 m (-1). The cash flow from financing activities amounted to SEK -38 m (173).

Cash and cash equivalents as at 31 March 2019 amounted to SEK 272 m, compared with SEK 395 m on 31 December 2018. In addition to cash and cash equivalents, unutilized credit facilities of SEK 834 m (834) were available as at 31 March 2019, of which SEK 50 m is bank overdraft facilities.

Parent company's income statement

The parent company's loss after financial items was SEK -13 m (-13). Financial costs increased by SEK 18 m to SEK -35 m (-17) due to higher interest-bearing liabilities.

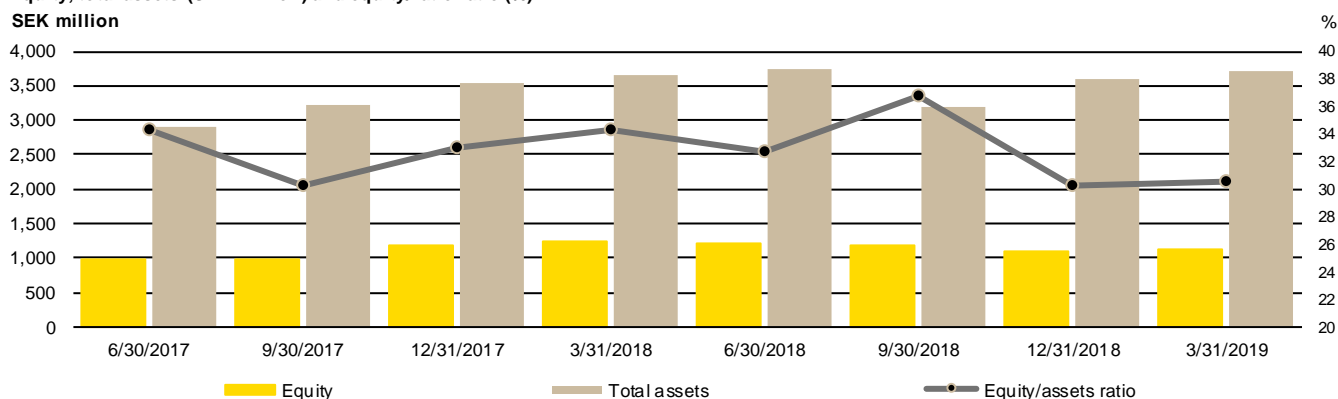
Parent company's balance sheet

The parent company's balance sheet total declined to SEK 1,965 m (1,970). The equity/assets ratio for the parent company was 16.1%, compared to 16.8% at year-end.

Fair value of financial instruments

The fair value of financial assets and liabilities is judged in all material respects to agree with the book value for all financial instruments except bond loans, where the fair value is judged to be SEK 1,429 m (1,440) compared to the book value of SEK 1,431 m (1,428). Bond loans belong to the category financial liabilities valued at the accrued acquisition value. The fair value for bond loans was determined in accordance with Level 1 in the fair value hierarchy set out in IFRS 13. No changes were made in the fair value hierarchy for financial instruments

Equity, total assets (SEK million) and equity/ratio ratio (%)



Project

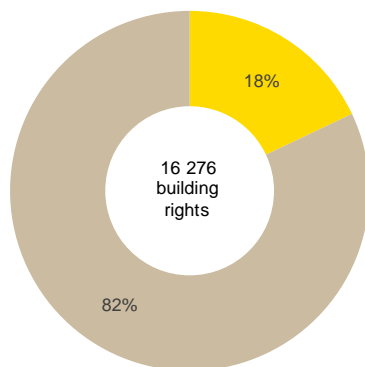
Magnolia Bostad develops primarily rental apartments, hotels and residential care facilities in Sweden's growth areas and large cities. These are sold at an early stage to major Swedish institutions or other partners with strong reputations. The company also develops tenant-owned apartments.

Magnolia Bostad applies an urban planning perspective to its projects. Municipalities and institutional investors are often looking for the competence to develop comprehensive residential areas that include not only homes but also, for example, residential care housing.

By working with several products and housing forms, Magnolia Bostad achieves good risk distribution and becomes an attractive partner for longterm cooperation.

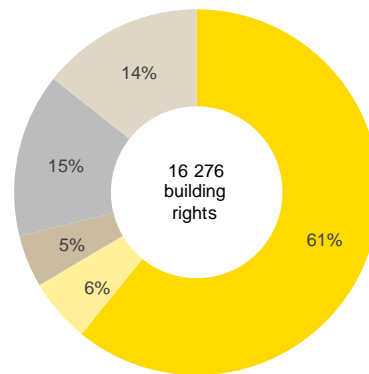
Magnolia Bostad has set a target of a margin of 10% for rental apartment transactions, 15% for hotel transactions and 20% for residential care and tenant-owned apartment transactions.

Share of project portfolio with zoning plans¹



■ Zoning plans
■ No zoning plans

Share of estimated building rights per geographical area¹



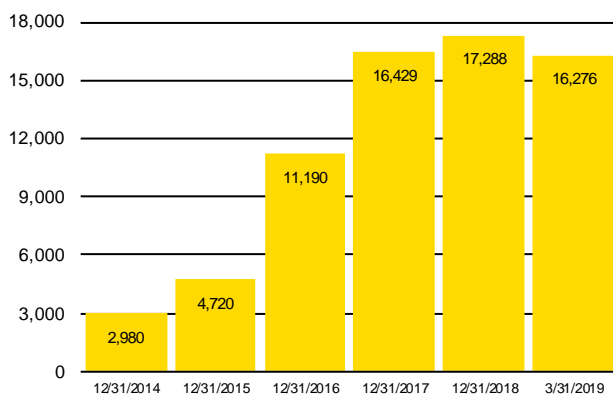
■ Stor-Stockholm ■ Uppsala
■ Stor-Göteborg ■ Öresundsregionen
■ Övrigt

As of March 31, 2019, Magnolia Bostad had a project portfolio totalling 16,276 estimated building rights.

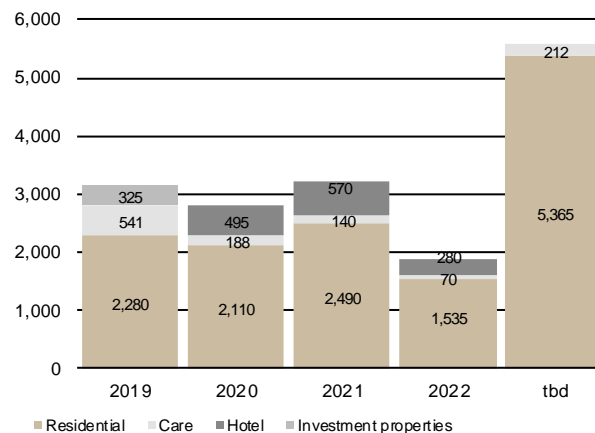
During the first quarter, 8 residential units were sold, no building rights acquired and one project was closed.

¹⁾ The percentages are rounded to the nearest whole number.

Development of the building right portfolio, number of building rights



Estimated production starts in the project portfolio (projects not sold) and production start in investment properties, number of building rights



Divestments 2019

Quarter	Project	Location	Buyer	Number of apartments
1	Ophelias Brygga	Helsingborg	Brf	7
1	Varvet Townhouse	Karlstad	Brf	1
				8

Projects closed in 2019

Project	Location	Category	Number of apartments	Buyer
Maria Forum	Helsingborg	RU	292	Alecta
Total			292	

Project portfolio

The tables on pages 12 and 13 present Magnolia Bostad's project portfolio as at March 31, 2019, which consisted of 47 pending projects not sold. Magnolia Bostad's share of earnings in the projects listed on pages 12-13 amounts to 90%, unless otherwise specified.

The information on each project in the tables below is the company's current assessment of each project as a whole. Due to uncertainty factors such as local planning processes, decisions by government authorities or undetermined dates for vacancy, these assessments and thus the final outcome for each project may change over time.

Project	Property, location	Category	Estimated number of apartments	Estimated residential area (sqm)	Zoning plan	Estimated prod. start	Estimated completion	Planned buyer (B) and/or contractor (C)
Drottninghög ²	Drottninghög södra 3 & del av Eskadern 1, Helsingborg	C	105	6,200	●	2019	2021	
Ferdinand 9, Spånga ²	Ferdinand 9, Stockholm	A, C	200	15,400	●	2019	2022	Heimstaden agreement (B)
Gjuteriet, etapp 2	Nätverket 2, Eskilstuna	A	135	5,500	●	2019	2021	
Gyllehemmet ²	Gyllehemmet 1 & 2, Borlänge	C	106	9,400	●	2019	2021	
Konstnären	Sala backe 50:1, Uppsala	A	110	6,150	●	2019	2021	Heimstaden agreement (B)
Lilium, etapp 2	Del av Gamla Uppsala 99:2, Uppsala	A	110	5,200	●	2019	2019	Serneke (C)
Norra kajen, etapp 1	Norrmalm 3:18 & 4:2, Sundsvall	A	285	12,500	●	2019	2022	Heimstaden agreement (B)
Norrtälje Hamn	Del av Tälje 3:1 m.fl. & Alen 1-5, Norrtälje	A, C	160	9,500	●	2019	2022	
Sportflygaren	Autogyron 1, Örebro	A	180	7,300	●	2019	2021	
Täljöviken ²	Näs 7:7, Åkersberga	C	60	4,650	●	2019	2021	
Ängloket	Del av Ängby 1:1, Knivsta	A	325	15,000	●	2019	2022	Heimstaden agreement (B)
Hasseludden ²	Hasseludden 1:79, Nacka	C	60	4,300	●	2019	2021	
Norrbacka	Sigtuna Norrbacka 1:32-36, Sigstuna	A, C	265	12,500	●	2019	2022	
Slippen	Stora Råby 33:2 m.fl., Lund	A	720	32,200	●	2019	2021	Heimstaden agreement (B)
Gamelestad hotell ⁴	Gamelestad 80:4, Göteborg	H	245	6,500	●	2020	2022	
Norra kajen, etapp 2	Norrmalm 3:18 & 4:2, Sundsvall	A	285	12,500	●	2020	2022	Heimstaden agreement (B)
Partilleport ³	Partille 11:61, Göteborg	C	54	11,100	●	2020	2022	Consto (C)
Grimsta 5:2 (Infra), etapp 1	Grimsta 5:2, Upplands Väsby	A, H	445	20,600	●	2020	2023	
Hagby Park	Hagby 1:5, Åkersberga	A	195	10,300	●	2020	2022	Heimstaden agreement (B) Consto agreement (C)
Lommarstranden, etapp 1	Del av Tälje 4:62, Norrtälje	A	120	6,000	●	2020	2021	
Mesta ²	Mesta 5:81, Eskilstuna	C	54	3,950	●	2020	2021	
Nätverket	Husby 3:3, Åkersberga	A	335	9,200	●	2020	2022	Heimstaden agreement (B) Consto agreement (C)
Sländan, etapp 3	Sländan 9, Södertälje	A	200	10,000	●	2020	2022	
Torgkvarteren, etapp 1	Del av Våppeby 7:7, Bålsta	A	280	13,400	●	2020	2022	Heimstaden agreement (B) Consto agreement (C)
Västerhaninge ²	Del av Åby 1:67 m.fl., Haninge	A	500	30,000	●	2020	2023	
Österhagen ²	Länna 4:7, Huddinge	C	80	5,300	●	2020	2022	
Norra kajen, etapp 3	Norrmalm 3:18 & 4:2, Sundsvall	A	280	12,000	●	2021	2023	Heimstaden agreement (B)
Finnkajen ⁴	Del av Sundsvall, Stenstaden 1:4, Sundsvall	H	270	9,000	●	2021	2024	

Project	Property, location	Category	Estimated number of apartments	Estimated residential area (sqm)	Zoning plan	Estimated prod. start	Estimated completion	Planned buyer (B) and/or contractor (C)
Frihamnen	Del av Lundbyvassen 736:168, Göteborg	A	150	8,000	●	2021	2023	
Frihamnen H ⁴	Del av Lundbyvassen 736:168, Göteborg	H	300	12,000	●	2021	2022	
Grimsta 5:2 (Infra), etapp 2	Grimsta 5:2, Upplands Väsby	A, C	445	20,600	●	2021	2024	
Lommarstranden, etapp 2	Del av Tälje 4:62, Norrtälje	A	120	6,000	●	2021	2023	
Södra Häggviks Gärdar ¹	Stinsen 2, Sollentuna	A, C	1,500	94,000	●	2021	-	Slättö agreement, part of project (B) Skanska (C)
Torgkvarteren, etapp 2	Del av Våppeby 7:7, Bålsta	A	135	7,200	●	2021	2023	Consto agreement (C)
Oktaven ²	Skärholmen 2:1, Stockholm	A	85	7,000	●	2022	2025	
Vårby Udde	Gambrinus 2 & 4, Huddinge	A, C, H	1,800	85,000	●	2022	-	Slättö agreement, part of project (B) Skanska (C)
Nykvarn ³	Kaffebyrggaren 1 m.fl., Nykvarn	A	285	13,000	●	tbd ⁵	-	
Bredängshöjden	Vita Liljan 3 m.fl., Stockholm	A	700	35,000	●	tbd ⁵	-	Heimstaden agreement, part of project (B)
Bunkeflostrand	Limhamn 155:355, Malmö	A, C	1,000	45,600	●	tbd ⁵	-	
Erstavik ³	Erstavik 25:1, Stockholm	C	72	5,180	●	tbd ⁵	-	
Kvarnsjödal	Tumba 7:241, Botkyrka	A, C	2,000	130,000	●	tbd ⁵	-	Slättö agreement, part of project (B)
Mejeriet, etapp 1	Filborna 28:4, Helsingborg	A	270	15,000	●	tbd ⁵	-	Heimstaden agreement (B)
Mejeriet, etapp 2	Filborna 28:4, Helsingborg	A	270	15,000	●	tbd ⁵	-	Heimstaden agreement (B)
Senapsfabriken, etapp 3	Kungsängen 29:2, Uppsala	A	700	29,000	●	tbd ⁵	-	
Skarpnäcksgård 1:1 ²	Del av Skarpnäcks gård 1:1, Stockholm	A	60	3,500	●	tbd ⁵	-	Heimstaden agreement (B)
Årstaberget 1 ²	Liljeholmen 1:5, Stockholm	A	100	5,500	●	tbd ⁵	-	Heimstaden agreement (B)
Årstaberget 2 ²	Årsta 1:1, Årsta	A	120	6,500	●	tbd ⁵	-	
Total			16,276	848,730				

¹ Magnolia Bostad owns 45% of the JV. Magnolia Bostad's share of the development profit amounts to 90%.

² Magnolia Bostad's share of the profit amounts to 92%.

³ Part of JV. Magnolia Bostad's share of the profit amounts to 46%.

⁴ Magnolia Bostad's share of the profit amounts to 76%

⁵ For land where Magnolia Bostad does not have planning permission or there is no date for when the tenants will move out.

Hotels ● Zoning plan in force ● Zoning plan not in force

Sold projects in production

In the projects below, Magnolia Bostad's share of earnings amounts to 90%, unless otherwise stated. The number of residential units sold is the estimated number of residencies at a time when binding sales agreements are signed and the revenue recognized is settled.

Project	Property, location	Category	Sold ap. in production	Residential area (sqm)	Unsold ap. in production	Production start	Completion	Buyer	Contractor
Bryggeriet	Norrländ 11, Helsingborg	RU	327	14,700		2015	2019	Alecta	Skanska
Cementfabriken	Kölen 1, Malmö	RU	144	7,100		2015	2019	SPP Fastigheter	Veidekke
Kalkstenen	Tankkloket 1, Malmö	RU	129	5,100		2015	2019	SPP Fastigheter	Veidekke
Slipen	Del av Varvet 2, Karlstad	RU	216	12,300		2015	2019	Slättö	Consto
Nyby Lilium, etapp 1	Del av gamla Uppsala 99:1, Uppsala	RU	300	14,000		2015	2019	SEB Domestica II	Serneke
Maria Mosaik	Arkeologen 1 & Antikvarien 1, Helsingborg	RU	345	16,000		2016	2020	SPP Fastigheter	Veidekke
Sländan, etapp 1	Sländan 6, Södertälje	RU	441	19,000		2016	2019	SPP Fastigheter	ED Bygg
Senapsfabriken, etapp 1 ¹	Kungsängen 25:1, kv.2, Uppsala	RU	455	19,400		2016	2019	SEB Domestica III	NCC
Tegelslagaren	Vallentuna-Åby 1:166, Vallentuna	RU	155	6,150		2016	2019	SEB Domestica II	ED Bygg
Tegelmästaren	Vallentuna-Åby 1:171, Vallentuna	RU	160	5,950		2016	2019	SEB Domestica II	ED Bygg
Gjuteriet, etapp 1	Namnsdagen 1, Eskilstuna	RU	262	13,900		2016	2019	Slättö	Consto
Segelflygaren	Glidplanet 1, Örebro	RU	210	10,000		2016	2019	Slättö	Consto
Varvet	Varvet 4 & del av Varvet 2, Karlstad	TO	92	6,100		2016	2019	Brf	Consto
Varvet Townhouse	Varvet 4 & del av Varvet 2, Karlstad	TO	7	700	1	2017	2019	Brf	Consto
Senapsfabriken, etapp 2 norra ¹	Del av Kungsängen 45:1, 29:3, Uppsala	RU	325	13,100		2017	2022	Slättö	NCC
Senapsfabriken, etapp 2 södra ¹	Del av Kungsängen 45:1, 29:3, Uppsala	RU	325	13,900		2017	2023	Heimstaden Bostad	NCC
Sländan, etapp 2	Sländan 8, Södertälje	RU	136	5,300		2017	2020	Viva Bostad	ED Bygg
Fyren, etapp 1	Telegrafan 16, Nynäshamn	RU	220	10,500		2017	2022	Viva Bostad	Consto
Fyren, etapp 2	Telegrafan 16, Nynäshamn	RU	236	11,600		2017	2022	SEB Domestica IV	Consto
Hyllie Gärde ²	Valhall 1, Malmö	RU	427	21,000		2017	2021	Slättö	ED Bygg
Hotell Brunnshög ³	Morgonen 1, Lund	H	251	8,900		2017	2020	Alecta	Serneke
Hotell Resecentrum ³	Kilot 2, Halmstad	H	244	9,500		2017	2020	Alecta	Serneke
Visborg ²	Skenet 3, Visby	C	58	3,950		2018	2019	Northern Horizon	PEAB
Fasanen	Burlöv Arlöv 20:58 m.fl., Burlöv	RU	275	12,675		2018	2020	Heimstaden Bostad	Serneke
Allarp Laholm ⁴	Allarp 2:468, Helsingborg	C	54	3,850		2018	2020	Northern Horizon	Consto
Brogårdstaden ²	Del av Brogård 1:84, Upplands-Bro	RU	658	31,000		2018	2022	Slättö	Consto
Ophelias Brygga	Del av Gamla Staden 1:1 m.fl., Helsingborg	TO	83	7,500	41	2018	2020	Brf	Serneke
Mossenskolan ²	Mossenskolan 3, Motala	C	54	4,400		2018	2020	M&G	Gärhovs Bygg
Nypronrosen 5 ⁴	Nypronrosen 5, Helsingborg	C/RU	125	8,360		2018	2021	Northern Horizon	Veidekke
Piccolo ²	Kilot 3, Halmstad	TO	12	1,860	14	2018	2020	Brf	Serneke
Sum			6,726	317,795	56				

¹ Magnolia Bostad's share of the profit amounts to 76.3%.

² Magnolia Bostad's share of the profit amounts to 92%.

³ Magnolia Bostad's share of the profit amounts to 76%.

⁴ Part of JV. Magnolia Bostad's share of the profit amounts to 46%.

RU=Rental unit, TO=Tenant-owned, H=Hotel, C=Care

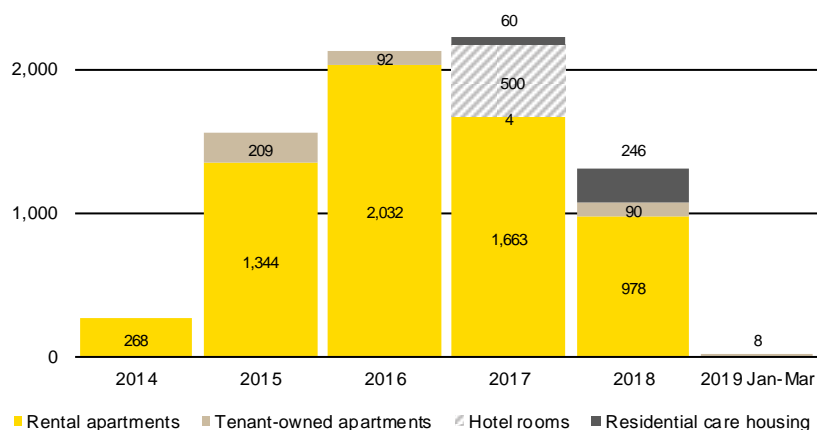
As of 31 March 2019, Magnolia Bostad had 30 sold projects in production with a total of 6,782 residential units.

Of these, 6,726 were sold and recognized. This corresponds to a sales rate of 99.2%. In 2019, one project was completed and finalized.

During the first quarter of 2019, 8 housing units were sold and recognized.

In sold rental apartment projects, Magnolia Bostad, on behalf of and in cooperation with the buyer, can sell parts of the projects as tenant-owned apartments. No conversions were made during the first quarter of 2019.

Sold apartments in production and finished projects, outcome



Properties for self-management

As of 31 March 2019, Magnolia Bostad had four own projects totalling 1,465 residential units in production for self-management. In addition, the company has two existing office properties for its own long-term management, one of which is reported as a joint venture. Magnolia Bostad's share of earnings is 92%, unless otherwise stated.

Projects

Name	Property, location	Category	Estimated sold ap.	Residential area (sqm)	Production start	Completion	Buyer
Övre Bangården	Östersund söder 1:14, Östersund	A	325	14,500	2018	2021	Derome
Kalmar	Björnbäret 1, Kalmar	A	232	11,000	2018	2021	Derome
Adjutanten	A7-området, Visby	A	68	4,200	2018	2019	PEAB
Brogårdstaden	Del av Bro gård 1:84, Upplands-Bro	A	840	50,000	2019	-	-
Sum			1,465	79,700			

A=Apartments

Investment properties

Name	Property, location	Category	Rentable area (sqm)	Rental value (MSEK)
Orminge Centrum ¹	Orminge 52:1, Nacka	O	6,000	8
Skogskarlen ²	Skogskarlen 3, Solna	O	9,000	17
			15,000	25

¹ Magnolia Bostad's share of the profit amounts to 90%.

² Part of JV. Magnolia Bostad's share of the profit amounts to 50%

O=Office

The shares

Share information

Magnolia Bostad's shares are listed on Nasdaq Stockholm's main list (Mid Cap). The shares are traded on Nasdaq Stockholm under the ticker (MAG) and ISIN code (SE0007074505).

The closing price on the closing date of 29 March 2019 was SEK 31.50. On average, 62 transactions per trading day were carried out between 1 January and 31 March 2019 and the average trading volume per trading day amounted to SEK 0.7 million.

The average number of outstanding shares as at 31 March 2019 was 37,822,283.

Owners

F. Holmström Fastigheter AB, which is controlled by Fredrik Holmström through a company owns 56.37% of Magnolia Bostad. During the quarter, a major owner moved his holding in Magnolia Bostad from Danica Pension to Wealins S.A.

As at 31 March 2019 the number of shareholders was 3,796.

Warrants

The Annual General Meeting held on 26 April 2017, resolved to issue 350,000 warrants to the subsidiary, Magnolia Utveckling AB. In total 260,500 warrants have been transferred to employees in accordance with the warrant program. Other warrants are still in the ownership of the subsidiary Magnolia Utveckling AB. Each warrant entitles the holder to the right to subscribe to one share at a strike price of SEK 84 per share. The subscription period is from 2 November 2020 until 26 April 2022.

Turnover in thousands per week and price (SEK)



Average number of outstanding shares

	2019		2018	
	31 Mar	Full-year	31 Mar	Full-year
Average number of outstanding shares	37,822,283	37,822,283	37,822,283	37,822,283

Owners

Shareholders' structure as of 31 Mar 2019

Number of shares	Number of share holders	Shareholder category	No.	Shareholders per country	
					No.
1 - 500	2,950	Corporation	133	Sweden	3,741
501 - 1000	353			Other Nordic countries	30
1001 - 2000	189	Private individuals, men	2,510	Other European countries (excl. Sweden and the Nordics)	21
2001 - 5000	169			USA	1
5001 - 10000	60	Private individuals, women	1,153		
10001 - 50000	48			Rest of the world	3
50001 -	27	Total	3,796		
Total	3,796	of which living in Sweden	3,741	Total	3,796

Largest shareholders as of 31 Mar 2019

Shareholders	Number of shares	Percentage of	
		Share capital	Votes
F. Holmström Fastigheter	21,321,837	56.37%	56.37%
Länsförsäkringar Fondförvaltning AB (publ)	3,195,269	8.45%	8.45%
Wealins S.A.	3,116,462	8.24%	8.24%
Svolder	1,661,161	4.39%	4.39%
Nordnet Pensionsförsäkring	1,413,066	3.74%	3.74%
Avanza Pension	680,495	1.80%	1.80%
Martin Dahlin	581,611	1.54%	1.54%
John Larsson	500,000	1.32%	1.32%
Alfred Berg Fonder	222,696	0.59%	0.59%
Jennie Sinclair	220,950	0.58%	0.58%
Summa 10 största ägarna	32,913,547	87.02%	87.02%
Övriga aktieägare	4,908,736	12.98%	12.98%
Totalt	37,822,283	100%	100%

Source: Monitor by Modular Finance AB. Data compiled and processed from sources such as Euroclear, Morningstar and the Swedish Financial Supervisory Authority.

Financial information

Consolidated Condensed Income Statement

Amounts in MSEK	2019 Jan-Mar	2018 Jan-Mar	2018/2019 Apr-Mar	2018 Jan-Dec
Net sales	37	532	559	1,054
Production and operating costs	-56	-404	-559	-907
Gross profit/loss	-19	128	0	147
Central administration	-15	-12	-67	-64
Profit/loss from participations in associated companies and joint ventures	-9	-3	8	14
Change in value, investment properties	165	-	232	67
Operating profit/loss	122	113	173	164
Financial income	2	2	8	8
Financial expenses	-44	-35	-159	-150
Profit/loss before tax	80	80	22	22
Income tax	-34	0	-49	-15
NET PROFIT/LOSS FOR THE PERIOD	46	80	-27	7
Profit/loss attributable to				
Parent company shareholders	38	81	-33	10
Non-controlling interests	8	-1	6	-3
Earnings per share (SEK)				
Before dilution effects	1.00	2.14	-0.88	0.26
After dilution effects	1.00	2.14	-0.88	0.26

Consolidated Statement of Comprehensive Income

Amounts in MSEK	2019 Jan-Mar	2018 Jan-Mar	2018/2019 Apr-Mar	2018 Jan-Dec
Net profit/loss for the period	46	80	-27	7
OTHER COMPREHENSIVE INCOME FOR THE PERIOD				
Total other comprehensive income	0	0	0	0
COMPREHENSIVE INCOME FOR THE PERIOD	46	80	-27	7
Comprehensive income attributable to				
Parent Company shareholders	38	81	-33	10
Non-controlling interests	8	-1	6	-3

Consolidated Condensed Statement of Financial Position

Amounts in MSEK	2019 31 Mar	2018 31 Mar	2018 31 Dec
ASSETS			
Non-current assets			
Goodwill	6	6	6
Other intangible assets	1	1	1
Total intangible assets	7	7	7
Investment properties	606	-	295
Right of use assets	60	-	-
Machinery and equipment	19	8	19
Total property, plant and equipment	685	8	314
Shares in associated companies and joint ventures	101	109	106
Receivables from associated companies	53	24	56
Other securities held as non-current assets	31	31	31
Other long-term receivables	700	1,202	978
Total financial assets	885	1,365	1,171
Total non-current assets	1,577	1,380	1,492
Current assets			
Development and project properties	1,189	1,101	1,196
Tenant-owned apartments	12	4	10
Accounts receivable	23	13	21
Receivables from associated companies	40	42	38
Other receivables	592	662	440
Prepaid expenses and accrued income	7	5	14
Cash and cash equivalents	272	442	395
Total current assets	2,135	2,268	2,114
TOTAL ASSETS	3,712	3,648	3,605

Consolidated Condensed Statement of Financial Position

Amounts in MSEK	2019 31 Mar	2018 31 Mar	2018 31 Dec
EQUITY AND LIABILITIES			
Equity			
Share capital	151	151	151
Other capital contributions	187	187	187
Retained profits incl. net profit/loss for the period	638	737	599
Equity attributable to Parent Company shareholders	976	1,075	937
Non-controlling interests	160	178	156
Total equity	1,136	1,254	1,093
Non-current liabilities			
Deferred tax liability	51	2	17
Non-current interest-bearing liabilities	1,971	1,399	1,914
Non-current liabilities to associated companies	0	24	18
Non-current lease liabilities	48	-	-
Other long-term liabilities	34	30	34
Total long-term liabilities	2,104	1,455	1,983
Current liabilities			
Current interest-bearing liabilities	200	656	278
Current lease liabilities	12	-	-
Accounts payable	35	55	23
Liabilities to associated companies	19	0	0
Income tax liabilities	0	2	0
Other current liabilities	105	108	114
Accrued expenses and deferred income	101	118	114
Total current liabilities	472	939	529
TOTAL EQUITY AND LIABILITIES	3,712	3,648	3,605

Consolidated Condensed Statement of Changes in Equity

Amounts in MSEK	Share capital	Other capital contributions	Reserves	Retained profits incl. net profit/loss for the year	Non-controlling interests	Total equity
Opening equity 1/1/2018	151	185	0	655	180	1,171
Issue of warrants	-	2	-	-	-	2
Net profit/loss for the period	-	-	-	81	-1	80
Other comprehensive income	-	-	0	-	0	0
Closing equity 31/03/2018	151	187	0	737	178	1,254
Dividend	-	-	0	-66	-20	-86
Net profit/loss for the period	-	-	-	-71	-2	-73
Other comprehensive income	-	-	0	-	0	0
Closing equity 12/31/2018	151	187	0	599	156	1,093
Opening equity 1/1/2019	151	187	0	599	156	1,093
Acquisition of non-controlling interests	-	-	-	1	-4	-3
Net profit/loss for the period	-	-	0	38	8	46
Other comprehensive income	-	-	0	-	0	0
Closing equity 31/03/2019	151	187	0	638	160	1,136

Condensed Consolidated Cash Flow Statement

Amounts in MSEK	2019 Jan-Mar	2018 Jan-Mar	2018/2019 Apr-Mar	2018 Jan-Dec
Operating activities				
Profit/loss after financial items	80	80	22	22
Adjustments for non-cash items, etc				
Less share of profit/loss from associated companies and joint ventures	9	3	-8	-14
Retained dividend from associated companies	-	-	10	10
Depreciation/amortization and impairment of assets	4	1	7	4
Unrealised fair value changes, investment properties	-165	-	-232	-67
Capital gains/losses from the sale of development properties	8	-136	-102	-246
Other provisions	0	0	0	0
Other profit/loss items that do not affect liquidity	3	2	13	12
Income tax paid	0	0	0	0
Cash flow from operating activities before changes in working capital	-61	-50	-290	-279
Decrease(+)/increase(-) of development and project properties	-128	209	-408	-71
Decrease(+)/increase(-) in current receivables	121	-129	623	373
Decrease(+)/increase(-) in current liabilities	-2	32	-77	-43
Cash flow from operating activities	-70	62	-152	-20
Investing activities				
Acquisition of intangible fixed assets	0	0	0	0
Acquisition of investment properties	-10	-	-31	-21
Acquisition of machinery and equipment	-2	0	-10	-8
Investment in financial assets	-3	-1	-2	0
Disposal/reduction of financial assets	-	-	8	8
Cash flow from investing activities	-15	-1	-35	-21
Financing activities				
Issue of warrants	-	2	-	2
Borrowings	10	253	904	1,147
Repayment of borrowings	-38	-82	-804	-848
Dividend paid to parent company's owner	-	-	-66	-66
Dividend paid to minority interest	-7	-	-14	-7
Acquisition of non-controlling interests	-3	-	-3	-
Cash flow from financing activities	-38	173	17	228
Cash flow for the period	-123	234	-170	187
Cash and cash equivalents at the beginning of the period	395	208	294	208
Cash and cash equivalents at the end of the period	272	442	272	395

Parent Company Condensed Income Statement

Amounts in MSEK	2019 Jan-Mar	2018 Jan-Mar	2018/2019 Apr-Mar	2018 Jan-Dec
Net sales	3	0	13	10
Total income	3	0	13	10
Central administration	-6	-11	-35	-40
Operating profit/loss	-3	-11	-22	-30
Financial income	25	15	86	76
Financial expenses	-35	-17	-119	-101
Profit/loss after financial items	-13	-13	-55	-55
Tax on profit/loss for the period	0	0	0	0
NET PROFIT/LOSS FOR THE PERIOD	-13	-13	-55	-55

Parent Company Statement of Comprehensive Income

Amounts in MSEK	2019 Jan-Mar	2018 Jan-Mar	2018/2019 Apr-Mar	2018 Jan-Dec
Net profit/loss for the period	-13	-13	-55	-55
OTHER COMPREHENSIVE INCOME FOR THE PERIOD				
Total other comprehensive income	0	0	0	0
COMPREHENSIVE INCOME FOR THE PERIOD	-13	-13	-55	-55

Parent Company Condensed Balance Sheet

Amounts in MSEK	2019 31 Mar	2018 31 Mar	2018 31 Dec
ASSETS			
Non-current assets			
Financial assets	154	154	154
Total non-current assets	154	154	154
Current assets			
Current receivables			
Receivables from Group companies	1,715	1,262	1,714
Receivables from associated companies	0	0	2
Other receivables	0	1	0
Prepaid expenses and accrued income	1	1	0
Total current receivables	1,716	1,264	1,716
Cash and bank balances	95	79	100
Total current assets	1,811	1,343	1,816
TOTAL ASSETS	1,965	1,497	1,970
EQUITY AND LIABILITIES			
Equity	316	438	330
Non-current liabilities			
Non-current interest-bearing liabilities	1,576	1,040	1,573
Total long-term liabilities	1,576	1,040	1,573
Current liabilities			
Current interest-bearing liabilities	-	-	-
Liabilities to Group companies	38	0	38
Other current liabilities	6	2	0
Accrued expenses and deferred income	29	17	29
Total current liabilities	73	19	67
TOTAL EQUITY AND LIABILITIES	1,965	1,497	1,970

Other information

Accounting principles

Magnolia Bostad follows the IFRS standards approved by the EU. The interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act. For the Parent Company, the interim report has been prepared in accordance with the Annual Accounts Act, which is in accordance with the provisions set out in RFR 2. The accounting principles agree with those used by the Group in the 2018 Annual Report in addition to the new standards described below. Disclosures in accordance with IAS 34 Interim Financial Reporting are provided as both notes and in other places in the interim report.

New accounting principles

IFRS 16 'Leasing Agreements' replaced IAS 17 from 1 January 2019. According to the new standard, most leased assets are reported in the balance sheet, Magnolia Bostad will not apply the standard retroactively.

The right of use (the lease asset) and the liability are initially valued at the current value of future lease payments. The right of use also includes direct costs attributable to the signing of the lease agreement. Depreciation and possible write-downs on the right of use and interest expenses are reported in the income statement.

Essentially, this item consists of parking spaces rented by Magnolia Bostad to be rented out in three projects and rent for the premises in which Magnolia Bostad conducts its business. For a further description of the transition effects, see Note 2 in Magnolia Bostad AB's Annual Report for 2018.

For a more detailed description of the applied accounting principles for the Group and parent company, refer to Magnolia Bostad AB's 2018 Annual Report.

Transactions with related parties

The Group

The Group is subject to controlling influence from F. Holmström Fastigheter AB, co. reg. no. 556530-3186, which is domiciled in Stockholm. Transactions with related parties have occurred between the Parent Company and its subsidiaries and between the subsidiaries in the form of loans of cash and cash equivalents and invoicing of internal administrative services between the companies. All transactions occurred under market terms and conditions.

Of the profit for the period attributable to non-controlling interests of SEK 8 million, SEK -3 million is attributable to Fredrik Lidjan AB's (FLAB's) share of the profit in Magnolia Holding 3 AB, SEK 6 million is attributable to FLAB's share of the result in Magnolia Holding 4 AB and SEK 0 million attributable to FLAB's share of the result in Magnolia Hotellutveckling 2 AB.

Board member Andreas Rutili, through companies, has ownership and a right to a share of the profits in the projects Senapsfabriken stage 1 and Senapsfabriken stage 2.

The scope and focus of other transactions by related parties have not changed significantly since the last annual report. For further information, see Note 4, Note 9 and Note 36 in the company's Annual Report for 2018 and www.magnolia-bostad.se.

Parent company

In addition to the closely related parties specified for the Group, the parent company has closely related parties that include a controlling influence over their subsidiaries.

Significant risks and uncertainty factors

Magnolia Bostad is exposed to risks and uncertainties through its operations. For information about the Group's risks and uncertainties, please refer to Magnolia Bostad AB's website www.magnolia-bostad.se and pages 68-69 and Note 3 in the company's Annual Report for 2018.

Sustainability

Magnolia Bostad works to achieve sustainable development and a reduced footprint by developing financially, socially and environmentally sustainable residential areas. For a more in-depth description of Magnolia Bostad's sustainability work, see pages 48-61 of the company's Annual Report for 2018. Sustainability is a natural part of Magnolia Bostad's operations and housing business. Taking a long-term approach is not just about developing financially, socially and environmentally sustainable buildings and districts - it is also a fundamental prerequisite for the company's growth and profitability.

Organization

Magnolia Bostad's organization is divided into the following departments: Business Development, Project Development, Business Generation, Residential Development, Communications, Legal and Finance. As of 31 March 2019, the company had 92 (86) employees. Of the number of employees, 50 (46) were women and 42 (40) were men at offices in Stockholm, Norrköping, Göteborg and Helsingborg. Comparative information refers to 31 December 2018.

As of 31 March 2019, Executive Management consisted of nine people. For more information about Magnolia Bostad's management team, please see www.magnoliabostad.se

Stockholm, 25 April 2019,
Magnolia Bostad AB (publ)

The Board of Directors

This report has not been audited by the company's auditors.

Quarterly overview

	2019		2018			2017		
	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun
Net sales (SEK million)	37	42	214	267	532	718	194	792
Operating profit/loss (SEK million)	122	-33	-10	93	113	230	8	127
Profit/loss after tax (SEK million)	46	-86	-47	59	80	198	-21	103
Earnings per share (SEK) ¹	1.00	-2.12	-1.24	1.45	2.14	4.26	-0.51	1.69
Equity (SEK million)	1,136	1,093	1,179	1,226	1,254	1,171	974	994
Equity per share (SEK) ¹	25.80	24.77	26.89	28.13	28.42	26.20	21.97	22.47
Equity/assets ratio (%)	30.6	30.3	36.8	32.7	34.4	33.0	30.3	34.4
Cash flow from operating activities (SEK million)	-70	-168	17	-86	62	-177	-220	165
Cash flow from the operating activities, per share (SEK)	-1.9	-4.4	4.5	-2.3	1.6	-4.7	-5.8	4.3
Number of basic outstanding shares	37,822,283	37,822,283	37,822,283	37,822,283	37,822,283	37,822,283	37,822,283	37 822 283
Number of outstanding shares after full dilution ²	37,822,283	37,822,283	37,822,283	37,822,283	37,822,283	37,822,283	37,822,283	37,982,283

All amounts have been adjusted in accordance with IFRS

¹ Excluding the minority

² 160,000 warrants with dilution effect were up until June 30, 2017 held by the Magnolia Bostad Group.

Definitions

Alternative KPIs not defined within IFRS

Return on equity (%)

Net profit/loss for the period attributable to the parent company's shareholders as a percentage of the average equity attributable to the parent company's shareholders.

Equity per share

Equity attributable to parent company's shareholders divided by the number of outstanding shares before dilution.

Net financial items

Net of financial income and financial expenses.

Cash flow from the operating activities, per share

Cash flow from operating activities divided by the average number of outstanding shares before dilution.

Interest-bearing net liabilities

Interest-bearing liabilities minus cash and cash equivalents.

Interest coverage, multiple

Profit/loss after financial items with reversal of financial expenses and adjustment for unrealized changes in value of investment properties divided by financial expenses.

Operating margin, %

Operating profit as a percentage of net sales.

Operating profit/loss

Net sales minus costs for production and operation, central administration, depreciation/amortization and impairment of intangible assets and property, plant and equipment, including profit/loss from participations in associated companies and fair value changes of investment properties.

Equity/assets ratio, %

Equity, including holdings without a controlling influence, as a percentage of the balance sheet total.

For reconciliation of alternative KPIs, refer to ESMA KPIs at Magnolia Bostad AB's website, www.magnoliabostad.se.

Definitions, other

Estimated area based on preliminary blueprints or calculated using standardized figures.

GFA: Gross Floor Area

MUA: Main Usable Area

UFA: Usable Floor Area

Estimated number of building rights

Number of estimated future residential units in acquired properties. Due to uncertainties such as zoning plan processes, government decisions or non-established dates for vacancy of project properties, assessments of the number of residential units may change over time.

Sales rate

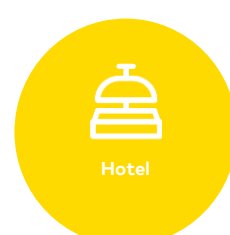
Sold residential units in production divided by units in projects in production.

Sold residential units in production

Number of residential units in sold projects where binding sales agreements were signed, and the revenue recognized.

This is Magnolia Bostad

Magnolia Bostad develops new housing in Sweden's growth areas and major cities. Our work is guided by a comprehensive view where business is conducted in a way that promotes long-term sustainable social development.



Our business model allows us to deliver complete offers - rental apartments, tenant-owned apartments, residential care facilities and hotels - to municipalities that want to develop new districts and residential areas. Together with selected partners, we create sustainable homes and residential areas where people feel comfortable and can afford to live.

Business concept

Magnolia Bostad will develop effective, attractive and functional housing with good profitability.

Financial targets

- Return on equity shall amount to at least 30%.
- The equity/asset ratio shall amount to at least 30%.

Business targets

Magnolia Bostad shall have the capacity to annually:

- start production of 3,000 residential units.
- produce 2 to 4 care facilities
- produce 1 to 2 hotels.

Sustainability targets

- Certification according to the Sweden Green Building Council's Silver level or Swan mark in all projects.

Strategy

By working with several forms of leasing, the company has achieved a good distribution of risk

The ratio of rental and tenant-owned apartments in the project portfolio varies over time, based on demand,

the state of the economy and conditions considered to be the most favourable for the company at any given time. Growth will be associated with good profitability.

Dividend policy

Magnolia Bostad intends to pay dividends to the shareholders of up to 50% of the profit after tax, taking into account the company's financial position, current loan terms and prevailing market conditions.

Magnolia Bostad's shares (MAG) are listed on Nasdaq Stockholm. More information is available at www.magnoliabostad.se

Financial calendar

- Annual General Meeting: 10 May 2019
- Interim report April - June 2019: 8 July 2019
- Interim report July - September 2019: 25 October 2019

Teleconference Q1 2019

- 10.30 CEST on April 25, 2019
Call one of the following telephone numbers to participate:
Sweden: +46 (0)8 5055 8366, UK: +44 333 300 9032

Listen to the teleconference at <https://financialhearings.com/event/11609>

- Presentation material will be available on the company's website no later than one hour before the start of the teleconference.

The information Magnolia Bostad publishes in this report is required in accordance with the EU Market Abuse Regulation (EU) No 596/2014. The information was submitted for publication, through the agency of the contact persons, on 25 April 2019 at 07:30 a.m. CEST.

This Interim Report is a translation of the original Swedish Interim Report, which prevails in case of discrepancies between this translation and the Swedish original.

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