



Pressrelease

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Bonava reports a non-recurring cost of SEK 100 million related to a settlement in an old legal dispute in Germany

Bonava has reached a settlement with HDM, a former German hotel developer, in a legal dispute deriving from a construction contract that Bonava terminated in 2006.

In 2006 Bonava terminated a construction contract due to not receiving security for final payment. The project was a hotel and conference center in Rostock Germany. At the time, Bonava worked as a general contractor, a business that the company has ended many years ago to focus solely on housing development.

The court process has been going on since 2008 and has comprised claims by both parties. The current settlement relates, amongst other things, to claims related to project defects, compensation for construction work performed as well as penalty for delay.

The total cost for Bonava, including legal court trial fees, amounts to SEK 100m and will be reported as an item affecting comparability in the third quarter 2019.

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Bonava is a leading residential development company in Northern Europe. Bonava has been creating homes and neighbourhoods since the 1930s. Bonava has 2,100 employees and operates in Germany, Sweden, Finland, Denmark, Norway, St. Petersburg, Estonia and Latvia, with sales of SEK 14.0 billion in 2018. Bonava's shares are listed on Nasdaq Stockholm.

For more information about us, visit: bonava.com