



2nd Quarter 2011 presentation

25 August 2011

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Q2-2011 Highlights – Group

Continued improved results

- ➔ Positive development in revenues in both segments
- ➔ Strong results in the Norwegian operation
- ➔ Pressure on margins in the Swedish operation
- ➔ Operational EBITDA-margin at 11.3 %

Financial issues

- ➔ Refinancing of long-term debt completed
- ➔ Dividend of NOK 0.90 per share paid on 9 June

Market conditions

- ➔ Prolonged sale processes in Sweden decrease runrate due to increased demand for equity and the international financial turmoil
- ➔ Positive key drivers in Norway and Sweden





Financials

Operational key figures Q2-2011: Based on operating results from the segments

NOK million	Q2-2011	Q2-2010	Y/Y	2010	
Operating revenues	902	810	11.3%	3 171	
EBITDA	102	93	9.8%	369	*
<i>EBITDA margin</i>	11.3%	11.4%		11.6%	
EBIT	96	88	9.2%	352	*
<i>EBIT margin</i>	10.6%	10.9%		11.1%	
Cash flow from operations after interest and tax	116	103	12.8%	144	
New orders	830	925	-10.3%	3 478	
Order backlog	1 924	1 831	5.1%	1 809	
Number of employees	1 027	920	11.6%	971	

* Includes reversal of NOK 8.2 million in Q1-2010 related to pension liabilities in Block Watne AS.

Operational key figures H1-2011 :

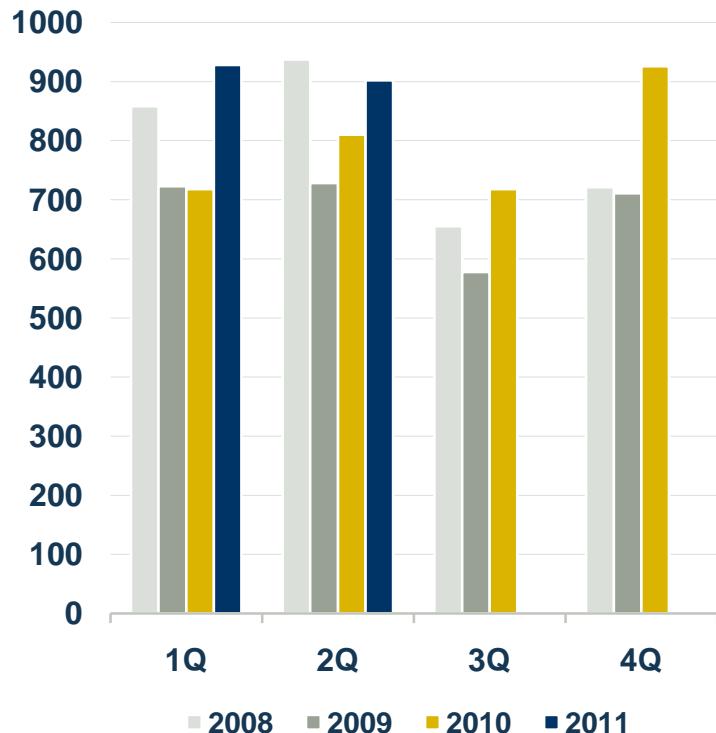
Based on operating results from the segments

NOK million	H1-2011	H1-2010	Y/Y	2010	
Operating revenues	1 829	1 528	19.7%	3 171	
EBITDA	201	175	*	369	*
<i>EBITDA margin</i>	11.0%	11.5%		11.6%	
EBIT	190	167	*	352	*
<i>EBIT margin</i>	10.4%	10.9%		11.1%	
Cash flow from operations after interest and tax	-98	78		144	
New orders	1 857	1 893	-1.9%	3 478	
Order backlog	1 924	1 831	5.1%	1 809	
Number of employees	1 027	920	11.6%	971	

* Includes reversal of NOK 8.2 million in Q1-2010 related to pension liabilities in Block Watne AS.

Continued profitable growth

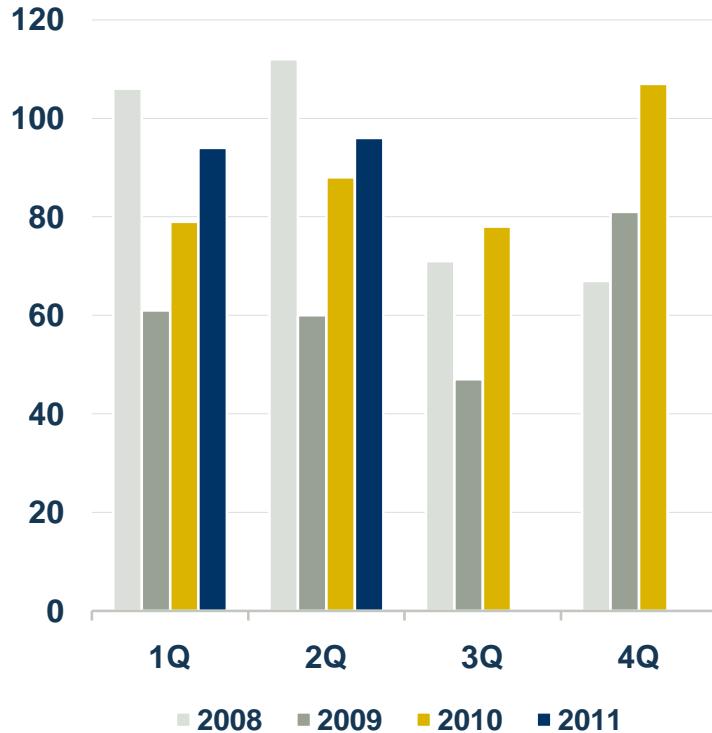
Revenues: +11.3%



Revenue Q2-2011: NOK 902 million.

Revenue Q2-2010: NOK 810 million.

EBIT: +9.2%

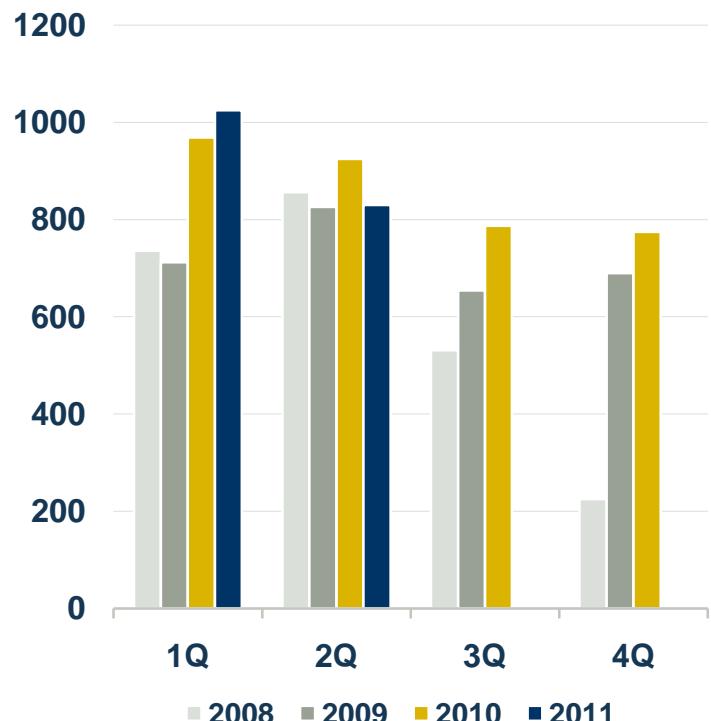


EBIT Q2-2011: NOK 96 million, 10.6% margin.

EBIT Q2-2010: NOK 88 million, 10.9% margin.

Slower sales in Sweden affecting the order backlog

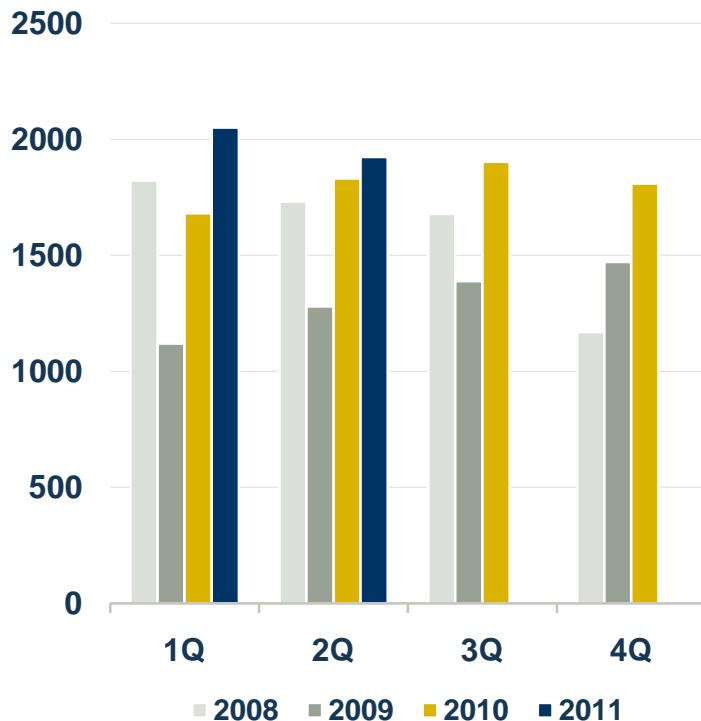
New orders: -10.3%



New orders Q2-2011: 830 million.

New orders Q2-2010: 925 million.

Order backlog: NOK 1.9 billion



Order backlog Q2-2011: NOK 1 924 million.

Order backlog Q2-2010: NOK 1 831 million.

Cash flow and Net interest-bearing debt

NOK million	Q2-2011	Q2-2010	2010
Net cash flow from operating activities	116	103	144
Net cash flow from investing activities	23	-10	-22
Net cash flow from financing activities	-125	-49	-115
Change in cash in period	14	44	7
Net interest-bearing debt	1 527	1 421	1 347

- ➔ Net cash flow from operations is positive due to high volume of deliveries in the quarter
 - Payment for land acquisitions NOK 89 million
- ➔ Net cash flow from financing is negative due to paid dividend of NOK 88.4 million
- ➔ Net interest-bearing debt increased by NOK 106 million y/y
- ➔ All covenants fulfilled for Q2-2011

Balance sheet (IFRS)

NOK million	30.06.11	31.03.11	30.06.10	31.12.10
Total non-current assets	2 526	2 610	2 535	2 600
Total inventory and land	2 154	2 063	1 546	1 864
Total receivables	179	203	175	151
Bank deposits and cash	62	48	84	110
Total current assets	2 394	2 313	1 805	2 125
Total assets	4 920	4 923	4 340	4 725
Total equity	1 820	1 890	1 735	1 878
Total provisions	250	276	202	243
Long-term interest-bearing debt	959	1 045	1 108	1 040
Short-term interest-bearing debt	630	595	419	442
Total current liabilities	1 262	1 118	876	1 122
Total equity and liabilities	4 920	4 923	4 340	4 725
Equity ratio	37.0%	38.4%	40.0%	39.8%

IFRS key figures Q2-2011 and 1H-2011

NOK million	Q2-2011	Q2-2010	Y/Y	1H-2011	1H-2010	Y/Y	2010	
Operating revenues	872	730	19.4%	1 592	1 420	12.1%	2 985	
EBITDA	98	57	70.7%	129	118	9.0%	283	*
<i>EBITDA margin</i>	<i>11.2%</i>	7.9%		<i>8.1%</i>	8.3%		9.5%	
EBIT	92	53	75.0%	118	110	7.6%	265	*
<i>EBIT margin</i>	<i>10.6%</i>	7.2%		<i>7.4%</i>	7.7%		8.9%	
EBT	57	34	68.1%	67	84	-20.7%	248	*
Earnings in the period	42	25	68.6%	49	61	-20.2%	178	
EPS (NOK)	0.43	0.25		0.50	0.62		1.81	

* Includes reversal of NOK 8.2 million in Q1-2010 related to pension liabilities in Block Watne AS.

➔ Strong growth in IFRS revenues and results due to increased number of house deliveries in the quarter



The Norwegian operation

Norway: Q2-2011 Financials



- New orders in line with Q2-2010
- Continued order backlog growth, up 23.5% on Q2-2010
- Improved profitability in operations and good margins
- Increasing manpower and production capacity backed by sales and order backlog

NOK million	Q2-2011		Q2-2010		Y/Y	2010	
Operating revenues	492		438		12.2%	1 809	
Gross profit	142	28.9%	129	29.5%	10.1%	534	29.5%
EBITDA	68	13.9%	63	14.4%	8.5%	276	* 15.3%
EBIT	66	13.5%	61	14.0%	8.3%	271	* 15.0%
Number of employees	599		531		12.8%	554	

* Includes reversal of NOK 8.2 million in Q1-2010 related to pension liabilities.

Norway: Q2-2011 Highlights



- ➔ Still low interest rates and available credit facilities for customers
- ➔ Only 39 unsold finished units by end of Q2-2011
- ➔ Passive-house production is started
- ➔ Maintain efficiency. Phase in and training of new employees (carpenters, building managers and project managers)
- ➔ More focus on optimizing production and sales in running projects



The Norwegian operation: Hetzlandhus brand



- ➔ Positive development in sales continued in Q2-2011
- ➔ Construction adjustments carried out to fulfil TEK10 requirements



House model Ospelia



The Swedish operation

Sweden: Q2-2011 Financials



Myresjöhus SmålandsVillan

- New orders down 21.6% on Q2-2010
- Improved performance in SmålandsVillan production
- Growth in revenues, but pressure on margins due low efficiency and technical challenges in the Myresjöhus-production combined with a general soft marked
- Higher equity demand for home-buyers, combined with an international financial “turmoil” affect sales and thus production volumes negatively

NOK million	Q2-2011		Q2-2010		Y/Y	2010	
Operating revenues	407		372		9.4%	1 363	
Gross profit	108	26.6%	104	27.8%	4.6%	375	27.5%
EBITDA	37	9.0%	35	9.5%	3.3%	116	8.5%
EBIT	33	8.1%	32	8.7%	1.4%	104	7.6%
Number of employees	422		384		9.9%	411	

Sweden: Q2-2011 Highlights

- ➔ Ceiling on mortgages, increasing interest rates and unstable international financial markets affect the residential market
- ➔ Production rate adjusted to sales and order backlog
- ➔ Cutbacks in temporary staff and reductions in the workforce by approx 50 employees carried out and will take effect during 2. half 2011
- ➔ Efficiency programs and redesign of SmålandsVillan production line in 2010 have improved efficiency and performance
- ➔ Similar efficiency programs have been started in the Myresjöhus-production





Outlook 2011

Summary outlook 2011

- ➔ Uncertain effects of the international financial situation
- ➔ Mortgage financing is a challenge in Sweden due to demand on higher equity
- ➔ Mixed development in the professional market in Sweden
- ➔ The on-going improvement programmes in the Swedish operation will yield effect in 2012
- ➔ Still undersupply of new homes both in Norway and Sweden
- ➔ Key macro drivers in general still look favourable for BWG products and operations



Welcome back 3rd Quarter 2011: 3 November 2011 at 11:00 hrs



Havnevika, Ålesund.
Sales start September 2011

Appendix 1

Shareholder Information

10 largest shareholders per 22 August 2011

SHAREHOLDER	% TOTAL
Oslo Bolig og Sparelag	16.37%
Lani Industrier AS	15.93%
Orkla ASA	7.43%
Vital Forsikring ASA	3.50%
Odin Norge	2.84%
Odin Norden	2.61%
Skandinaviska Enskilda Banken	2.34%
State Street Bank and Trust Co.	2.15%
DnB NOR SMB VPF	2.05%
MP Pensjon PK	2.04%

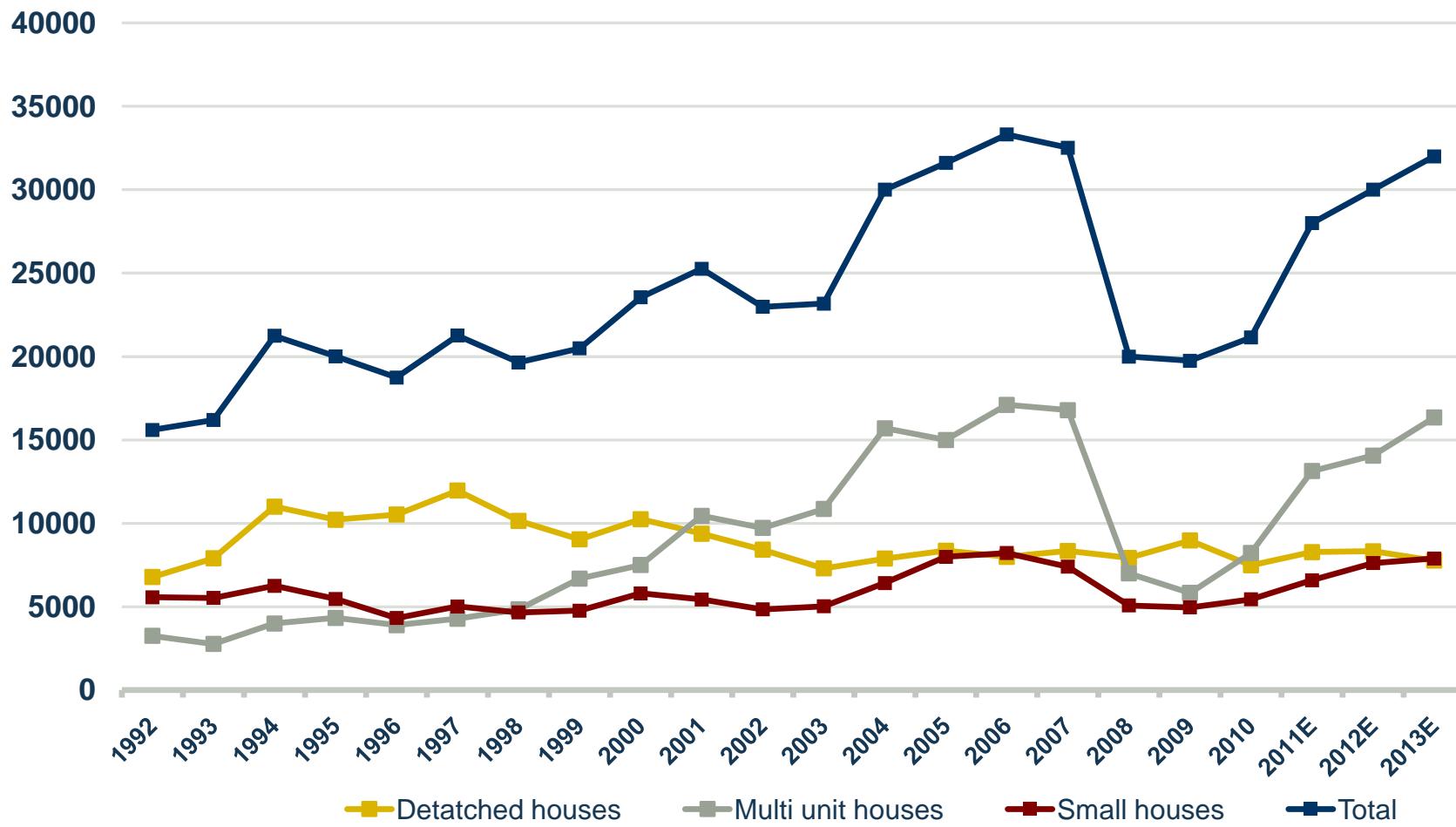
Share price development 2006 - August 2011



CEO Lars Nilsen owns 16.24 %

Appendix 2

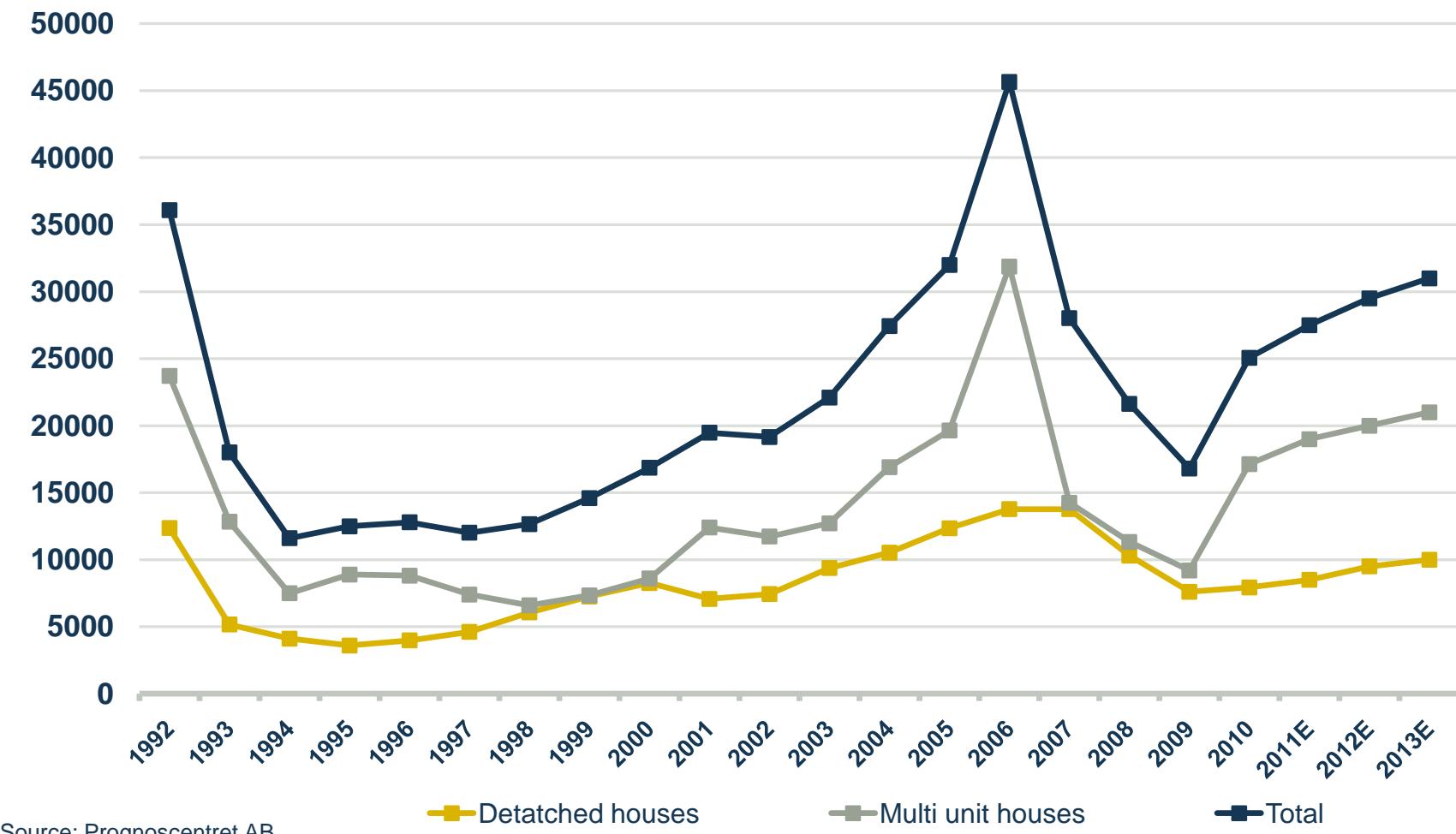
Housing starts in Norway 1992–2013



Source: Prognosenteret AS

Appendix 3

Housing starts in Sweden 1992–2013



Source: Prognoscentret AB