



1st Quarter 2010 presentation

11 May 2010

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Q1-2010 Highlights – Group

- ➔ Operating revenues; NOK 664 million
 - In line with Q1-2009
- ➔ Strong operational EBITDA margin; 12.5%
 - Operational EBITDA NOK 83 million, up 15.3% y/y
- ➔ New orders; NOK 876 million
 - Up 23.0% y/y
- ➔ Positive development in order backlog; NOK 1 681 million
 - Up 50.2% y/y and up 14.3% on Q4-2009 figures
- ➔ Cash flow; NOK -25 million
 - In line with Q1-2009
- ➔ Net interest bearing debt; up NOK 23 million from Q4-2009
 - Down NOK 365 million y/y
 - Extraordinary additional instalment of NOK 30 million in January 2010 in addition to ordinary instalment of NOK 20 million





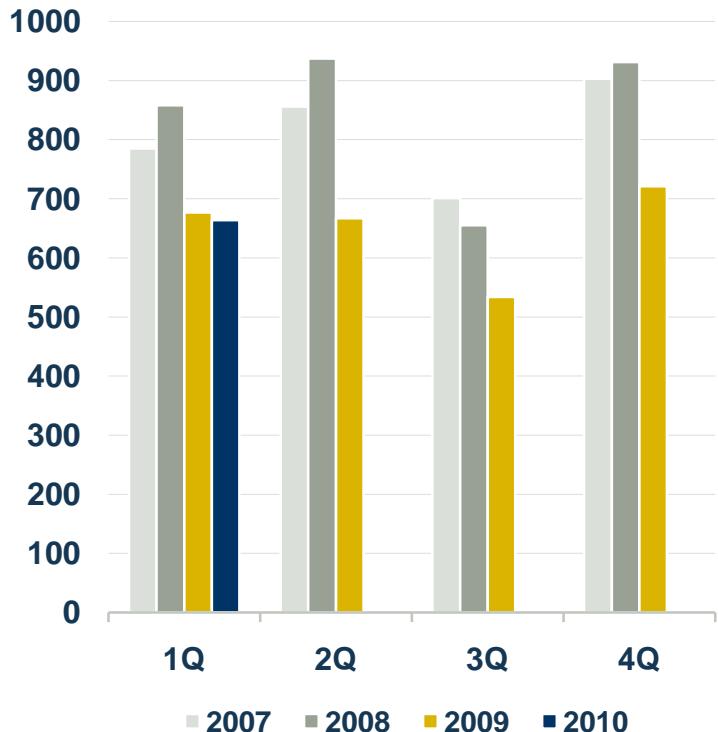
Financials

Operating key figures Q1-2010: Based on operating results from the segments

NOK million	Q1-2010		Q1-2009		Y/Y	2009
Operating revenue	664		676		- 1.8%	2 534
EBITDA	83	12.5%	72	10.6%	15.3%	274
EBIT	79	11.8%	61	9.0%	29.1%	250
Cash flow from operations after interest and tax	-25		-25			301
New orders	876		712		23.0%	2 882
Order backlog	1 681		1 119		50.2%	1 471
Number of employees	851		841		1.2%	826

Quarterly development:

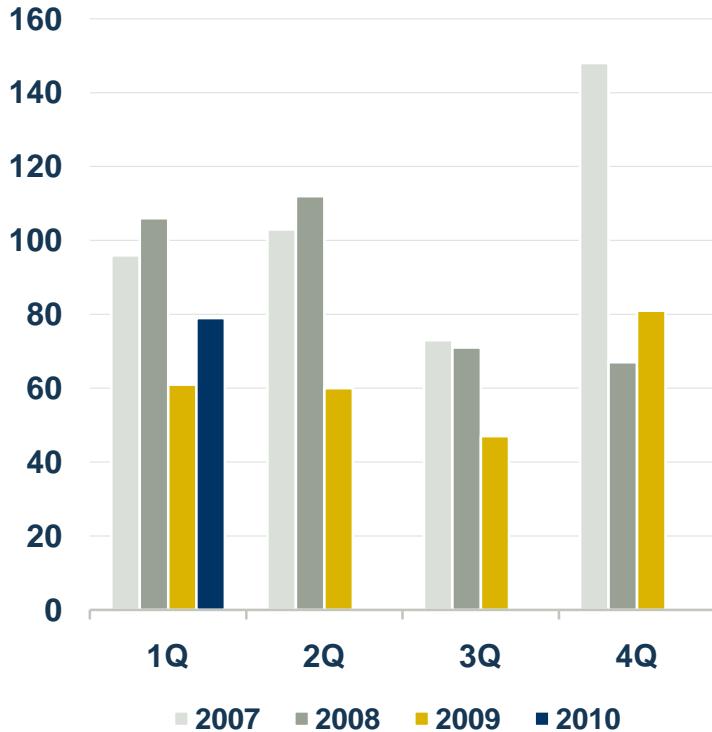
Revenues: - 1.8%



Revenue Q1-2010: NOK 664 million.

Revenue Q1-2009: NOK 677 million.

EBIT: +29.1%

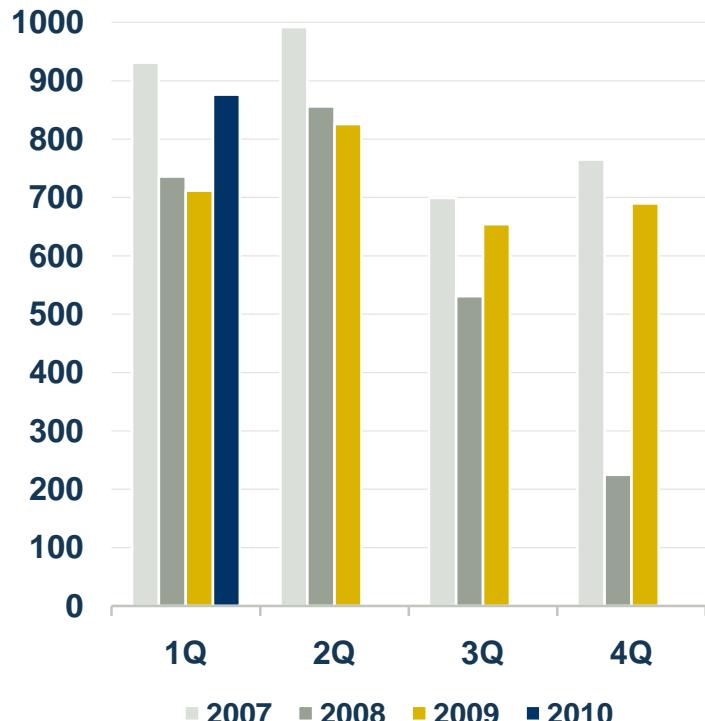


EBIT Q1-2010: NOK 79 million, 11.8% margin.

EBIT Q1-2009: NOK 61 million, 9.0% margin.

Quarterly development:

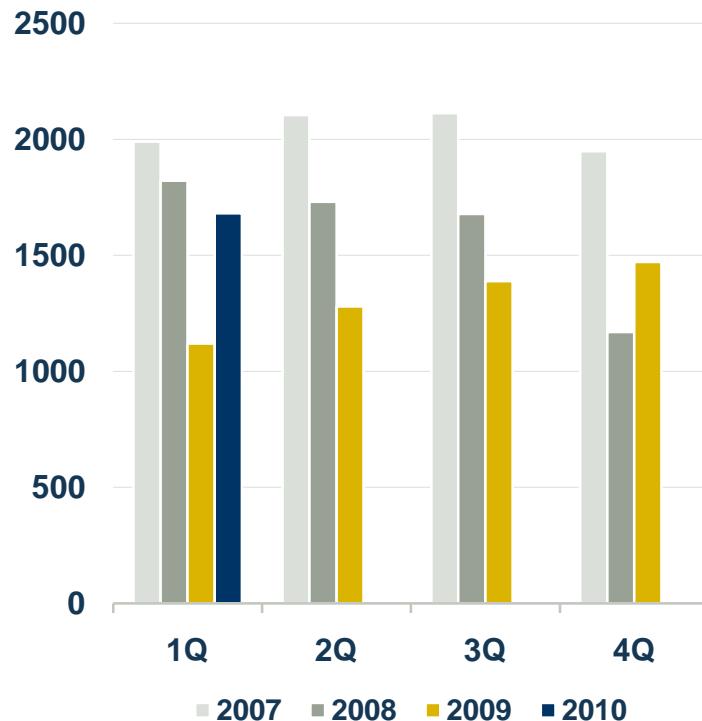
New orders: +23.0%



New orders Q1-2010: 876 million.

New orders Q1-2009: 712 million.

Order backlog: NOK 1.7 billion



Order backlog Q1-2010: NOK 1 681 million.

Order backlog Q1-2009: NOK 1 119 million.

Cash flow and Net interest-bearing debt

NOK million	Q1-2010	Q1-2009	2009
Net cash flow from operating activities	-25	-25	301
Net cash flow from investing activities	-1	-0.1	32
Net cash flow from financing activities	-37	90	-292
Change in cash in period	-63	65	41
Net interest-bearing debt	1 506	1 871	1 483

- ➔ Cash flow from operations in line with Q1-2009
- ➔ Net interest-bearing debt reduced by NOK 365 million y/y
 - Extraordinary additional instalment of NOK 30 million made in January 2010 in addition to the ordinary instalment of NOK 20 million
- ➔ All covenants fulfilled for Q1-2010

Balance sheet (IFRS)

NOK million	31.03.10	31.03.09	31.12.09
Total non-current assets	2 506	2 475	2 480
Total inventory and land	1 519	1 786	1 612
Total receivables	207	168	129
Bank deposits and cash	39	127	102
Total current assets	1 765	2 081	1 843
Total assets	4 271	4 609	4 323
Total equity	1 700	1 544	1 654
Total provisions	223	223	225
Long term interest-bearing debt	1 134	1 241	1 138
Short term interest-bearing debt	434	757	470
Total current liabilities	781	845	837
Total equity and liabilities	4 271	4 609	4 323



The Norwegian operation

Norway: Q1-2010 Financials



- New orders up 23.9% on Q1-2009
- Increasing order backlog. Up 52.1% on Q1-2009
- Profitable operations and strong margins in Q1-2010
- An unusual cold and snowy winter has impacted production efficiency
- Starting to increase manpower and production capacity backed by sales and order backlog

NOK million	Q1-2010		Q1-2009		Y/Y	2009	
Operating revenue	375		388		-3.2%	1 479	
Gross profit	116	30.9%	110	28.4%	5.3%	452	30.6%
EBITDA	60	15.9%	50	12.8%	20.5%	212	14.3%
EBIT	59	15.6%	47	12.2%	23.2%	205	13.9%
Number of employees	481		479		0.2%	474	

Norway: Q1-2010 Highlights



- ➔ Strong development in sales and improved margins in the quarter
- ➔ Still low interest rates and available credit facilities for customers
- ➔ 64 unsold finished units by end of Q1-2010; acceptable level
 - 70 unsold finished units at 31.12.2009. 29 of these were sold during Q1-2010
- ➔ Target 15 % increase in production staff through 2010





The Swedish operation

Sweden: Q1-2010 Financials



Myresjöhus SmålandsVillan

- ➔ New orders up 21.7% on Q1-2009
- ➔ Order backlog at an acceptable level. Up 48.8% on Q1-2009
- ➔ Production capacity slowly increasing. Revenues from construction contracts lag 3 to 5 months on increased production
- ➔ An unusual cold and snowy winter has impacted production efficiency. 8 finished homes warehoused by end of Q1-2010
- ➔ Margins are improving
- ➔ Increased sales and order backlog basis for continued increase in production in 2010

NOK million	Q1-2010		Q1-2009		Y/Y	2009	
Operating revenue	289		290		-0.2%	1 057	
Gross profit	86	29.9%	77	26.7%	11.7%	299	28.2%
EBITDA	28	9.6%	27	9.5%	1.1%	85	8.1%
EBIT	25	8.6%	19	6.5%	33.1%	68	6.4%
Number of employees	364		356		2.3%	346	

Sweden: Q1-2010 Highlights

- ➔ No 1 player in its segment according to Byggfakta statistics. 12 % market share Myresjöhus and SmålandsVillan combined
- ➔ Improving sales
 - The professional customers are returning to the market
 - Positive development also in the Northern region
 - SmålandsVillan has changed from Swedbank to Nordea as partner for customer financing
- ➔ Order backlog growth
- ➔ 23 unsold finished units by end of Q1-2010. 21 unsold finished units at 31.12.2009. 1 of these were sold during Q1-2010
- ➔ As part of the ongoing efficiency improvement program, the SmålandsVillan facility in Vrigstad to be re-designed/upgraded during summer holiday 2010
- ➔ Increased focus on contracting of land





Going forward

Going forward: Outlook 2010

- ➔ The Norwegian market is showing strength, this is expected continue. Price has been used to control sales volumes throughout Q1
- ➔ The Swedish market is still lagging Norway, but improving. Increased growth year end 2010 into 2011 onwards is expected
- ➔ The recent financial turmoil in Europe seems to be contained with a lesser risk for shortage in financing
- ➔ Interest rates are expected to be stable at low levels. Unemployment to stabilize in Norway and fall in Sweden
- ➔ The market for affordable homes looks to be improving



Welcome back 2nd Quarter 2010: 26 August at 11:00 hrs



Appendix 1

Shareholder Information

10 largest shareholders per 10 May 2010

SHAREHOLDER	% TOTAL
Lani Industrier AS	28.70%
Rasmussengruppen AS	12.01%
State Street Bank and Trust Co.	4.59%
Lani Development AS	3.51%
Vital Forsikring ASA	2.61%
Ojada AS	2.55%
Staff-Gruppen	2.54%
DnB NOR Norge (IV) VPF	2.24%
MP Pensjon	2.04%
Bank of New York Mellon SA/NV	2.02%

Share price development 2006 - May 2010



CEO Lars Nilsen owns 32.52%

Appendix 2

IFRS key figures Q1-2010

NOK million	Q1-2010		Q1-2009		2009	
Operating revenue	637		572		2 496	
EBITDA	61	9.6%	39	6.8%	246	9.9%
EBIT	57	8.9%	28	4.9%	222	8.9%
EBT	50		-32		89	
Earnings in the period	36		-21		70	
EPS (NOK)	0.37		-0.26			0.75

Appendix 3

Opportunities and challenges going forward

Opportunities:

- ➔ Strong increase in population the last years and going forward
- ➔ Housing starts historically low 2008-2009-2010. Volume in housing starts not expected until 2011
- ➔ Yearly need for new homes due to increased population and replacements: approx 30,000 (N), approx 35,000 - 40,000 (S)
- ➔ Acceptable interest rates and more stable unemployment

Housing starts per 1,000 capita

	Norway	Sweden	Finland
2000	5.3	1.9	6.1
2001	5.6	2.2	5.2
2002	5.1	2.2	5.3
2003	5.1	2.5	5.9
2004	6.6	3.1	6.1
2005	6.9	3.5	6.5
2006	7.2	4.6	6.4
2007	6.9	3.8	5.7
2008	5.4	2.4	4.4
2009	4.1	1.7	4.3

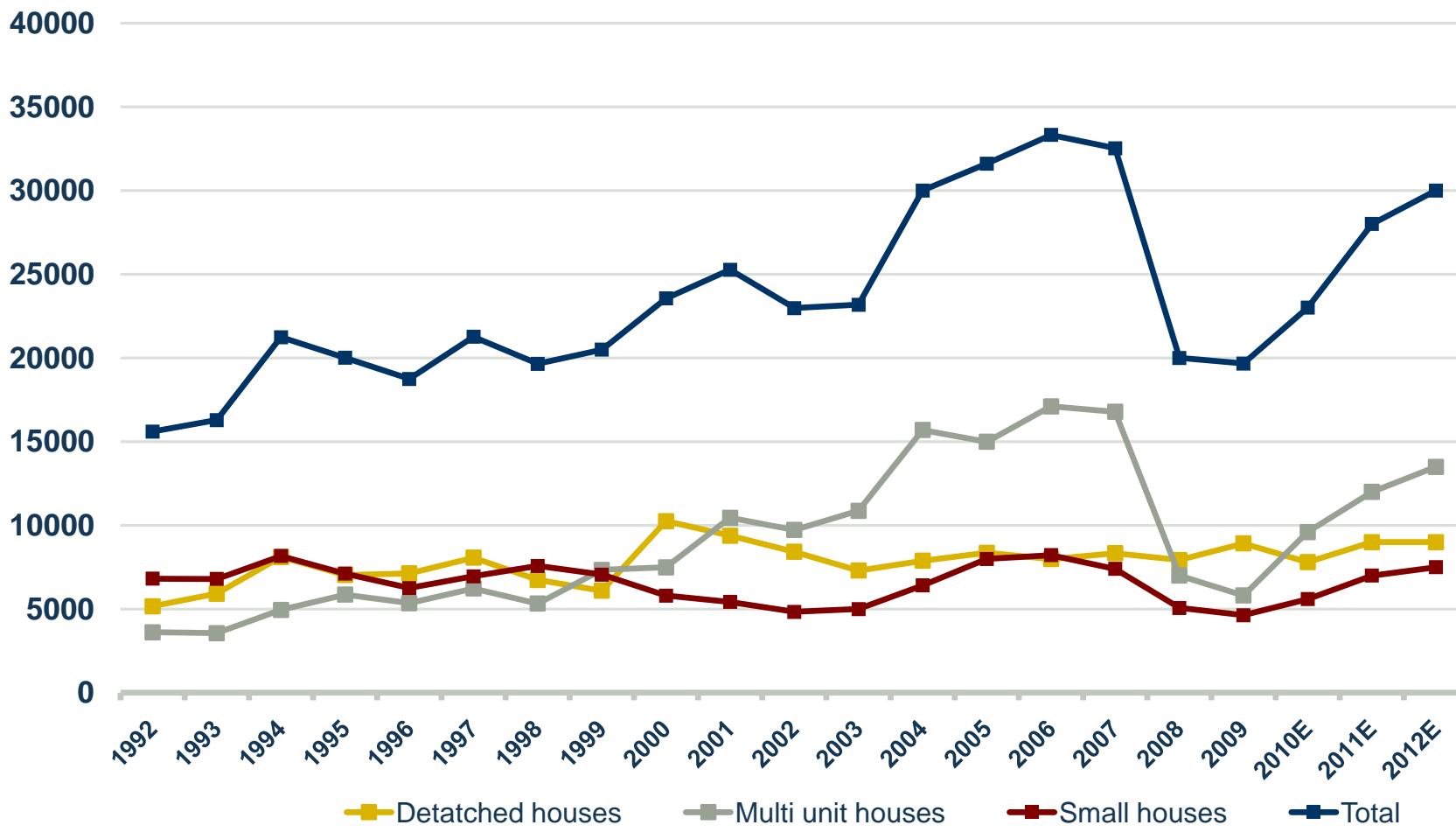
Source: Prognosenteret AS

Factors that may dampen the demand:

- ➔ New financial melt down and abnormal increase in unemployment
- ➔ Lack of available land regulated for residential development
- ➔ Low case handling capacity in local governments

Appendix 4

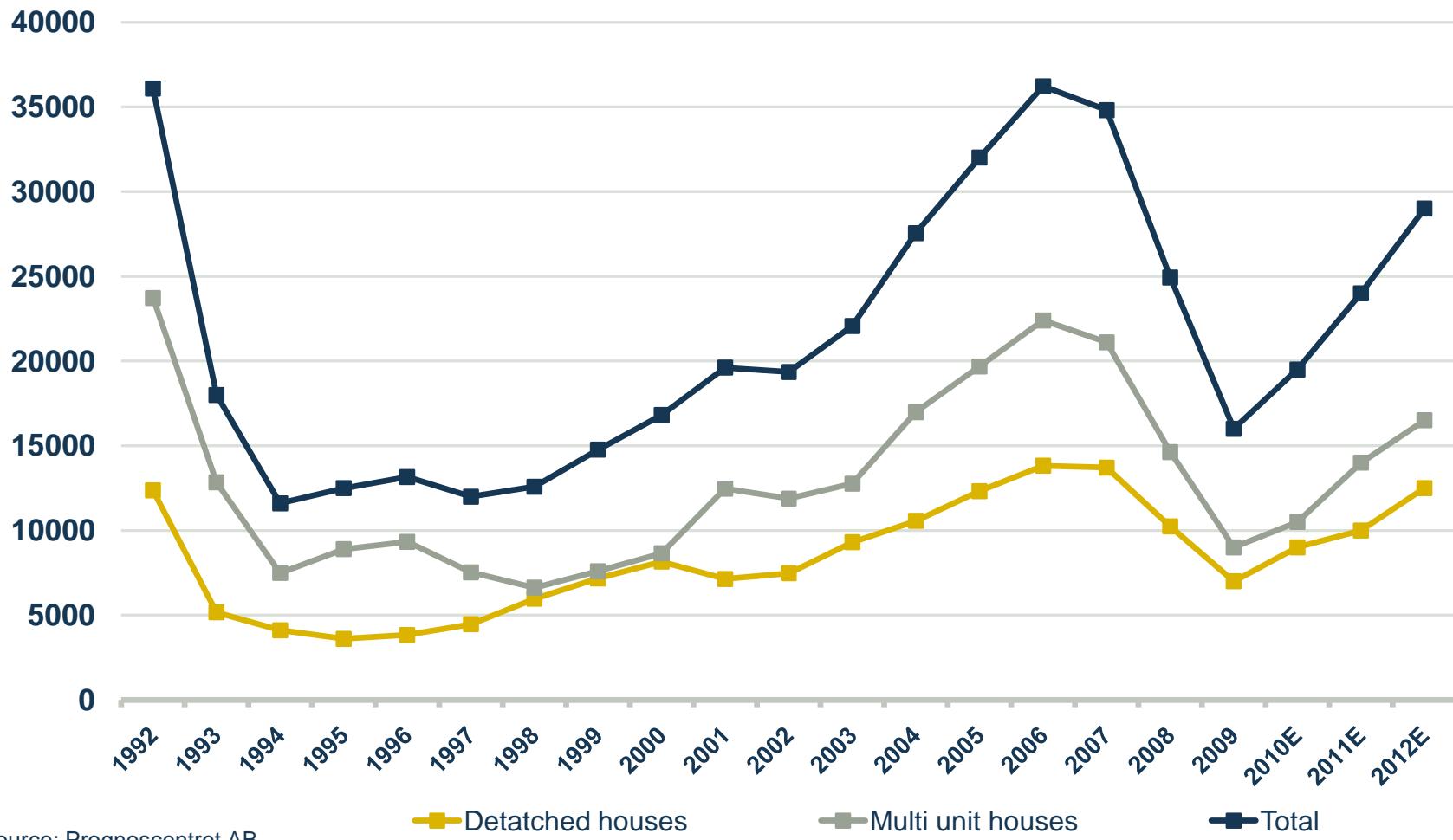
Housing starts in Norway 1992–2012



Source: Prognosesenteret AS

Appendix 5

Housing starts in Sweden 1992–2012



Source: Prognoscentret AB