



BWGHOMES

1st Quarter 2013 presentation

7 May 2013

Lars Nilsen, CEO

Q1-2013 Highlights – Group

Strong results in Norway, improving in Sweden

- Growth in revenues and strong results in Block Watne
- Improved revenues and increasing sales in BWG Homes AB, but still on low levels
- Operational EBITDA-margin for the Group at 13.2%

Market conditions

- Continued strong market in Norway
- Still long sale processes in Sweden. Positive trend in Q1, but it will take some time to see growth
- Underlying demand for new homes in Norway and Sweden

Kärnhem

- Acquisition of Swedish housing and project developer Kärnhem. Transaction completed in April

Organisation

- Geir Skoglund, new CEO of Block Watne
- Ole Feet, new CEO of BWG Homes ASA from 24 May



Financials



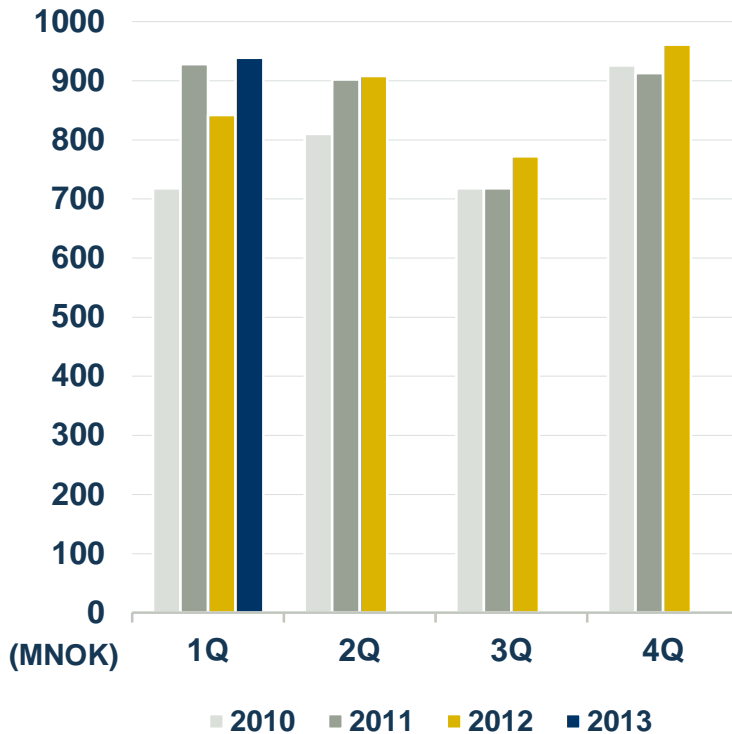
Operational key figures Q1-2013:

Based on operating results from the segments

NOK million	Q1-2013	Q1-2012	Y/Y	2012
Operating revenues	939	842	11.5%	3 483
EBITDA	124	93	33.8%	457
<i>EBITDA margin</i>	13.2%	11.0%		13.1%
EBIT before write-down of goodwill	120	89	35.0%	446
<i>EBIT margin</i>	12.7%	10.5%		12.8%
Cash flow from operations after interest and tax	-213	-88		-281
New orders	1 041	910	14.3%	3 374
Order backlog	1 568	1 660	-5.5%	1 455
Number of units in production	1 226	1 196	2.5%	1 220
Number of employees	1 022	981	4.2%	1 014

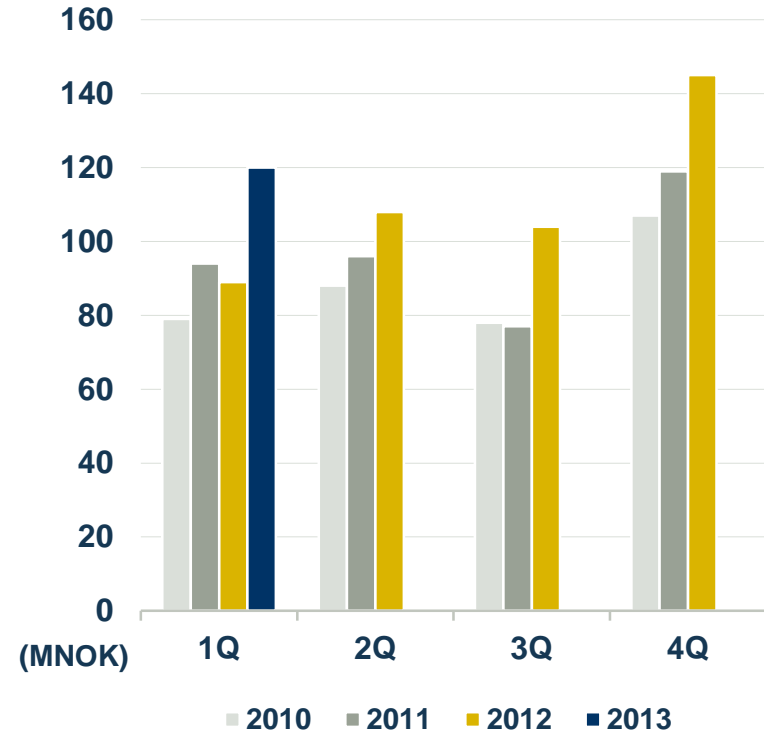
Improved revenues and strong results

Revenues: +11.5%



Revenue Q1-2013: NOK 939 million.
Revenue Q1-2012: NOK 842 million.

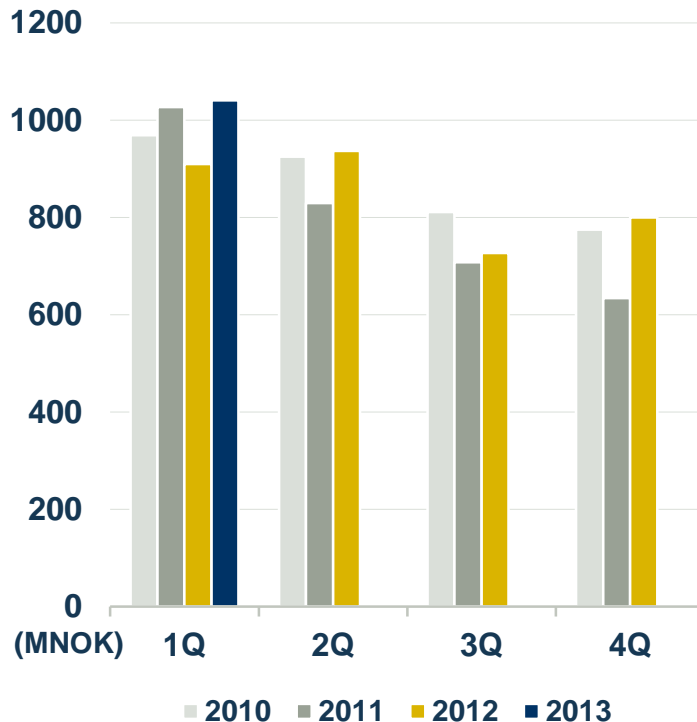
EBIT: +35.0% (before write-down)



EBIT Q1-2013: NOK 120 million, 12.7% margin.
EBIT Q1-2012: NOK 89 million, 10.5% margin.

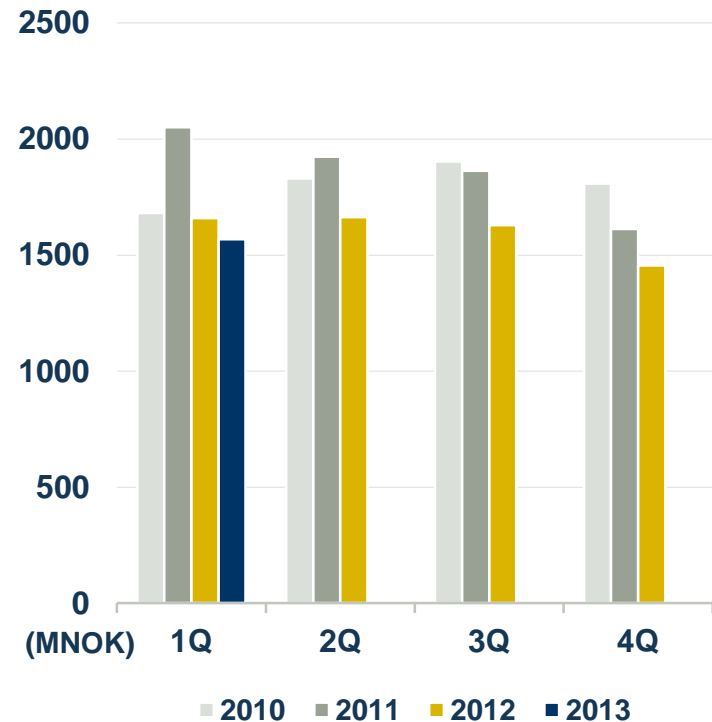
Historically strong sales

New orders: +14.3%



New orders Q1-2013: 1 041 million.
New orders Q1-2012: 910 million.

Order backlog: NOK 1.6 billion



Order backlog Q1-2013: NOK 1 568 million.
Order backlog Q1-2012: NOK 1 660 million.

Cash flow and Net interest-bearing debt

NOK million	Q1-2013	Q1-2012	2012
Net cash flow from operating activities	-213	-88	-281
Net cash flow from investing activities	-8	-6	-12
Net cash flow from financing activities	178	322	231
Change in cash in period	-43	228	-62
Net interest-bearing debt	1 697	1 297	1 474

- Net cash flow from operations is negative due to increased volume of projects and tied-up working capital
- Payments related to purchase of land totalling NOK 137.1 million in Q1 2013
- Net cash flow from financing in Q1 2012 was affected with NOK 393 million from the private placement in February 2012
- Net interest-bearing debt up by NOK 223 million from year-end 2012

Financial position (IFRS)

NOK million	31.03.13	31.12.12	31.03.12
Total non-current assets	2 235	2 167	2 548
Total inventory and land	3 287	2 884	2 526
Total receivables	165	138	163
Bank deposits and cash	61	104	394
Total current assets	3 514	3 126	3 084
Total assets	5 749	5 293	5 632
Total equity	2 260	2 182	2 366
Total provisions	287	218	247
Long-term interest-bearing debt	786	784	922
Short-term interest-bearing debt	973	794	770
Total current liabilities	1 444	1 316	1 327
Total equity and liabilities	5 749	5 293	5 632
Equity ratio	39.3%	41.2%	42.0%

IFRS key figures Q1-2013

NOK million	Q1-2013	Q1-2012	Y/Y	2012
Operating revenues	729	867	-16.0%	3 475
EBITDA	70	91	-23.2%	414
<i>EBITDA margin</i>	9.6%	10.5%		11.9%
EBIT before write-down	66	87	-24.7%	403
<i>EBIT margin before write-down</i>	9.0%	10.1%		11.6%
Write-down of goodwill	0	0		-404
EBIT after write-down	66	87	-24.7%	-1
EBT	86	51	69.1%	-114
Earnings in the period	62	37	70.2%	-174
EPS (NOK)	0.46	0.35		-1.36

→ Reduced IFRS revenues and results due to decreased number of house deliveries in the quarter

The Swedish operation

BWG Homes AB - Myresjöhus and SmålandsVillan

Kärnhem



BWG Homes AB: Q1-2013

- Positive development in Q1; improvements in production, results and sales
- Increasing focus on residential projects in growth regions
- Strengthened staff and competence
- Product development for new market segments
- Production of module-based row houses and low-rise apartment buildings expected to give positive effect on volumes and results over the coming years



NOK million	Q1-2013		Q1-2012		Y/Y
Operating revenues	286		292		-2.3%
EBITDA	18	6.3%	16	5.5%	10.3%
Order intake	348		304		14.4%
Order backlog	917		907		1.2%
Number of units in production	210		184		14.1%
Number of employees	368		354		4.0%

Acquisition of Kärnhem



- Swedish house builder and project developer
 - Established in 2003. Lean organization, based in Växjö.
 - 52 employees, including project development and a factory producing wall panels and windows
 - House building performed by external contractors
 - Land bank capacity for approx. 1 500 units, mainly in the housing co-operative segment (BRF)
- Strengthens BWG position in Sweden
 - Expertise on housing co-operatives as a project model
 - Expanding the product spectre (row houses and apartment buildings)
 - Access to a large number of attractive plots and projects ready for realization



Kärnhem – going forward



- Transaction completed in April
- Kärnhem figures to be consolidated with effect from May 2013
- On going business to be continued
- Synergi effects, mainly in purchase of materials and services, to be reviewed
- Kärnhem has historically made good profits; though decline in profits in 2011 and 2012, mainly due to market situation and internal restructuring
- 2012 earnings after tax were negative at SEK 3.5 million
- 2013 earnings after tax are expected to be positive



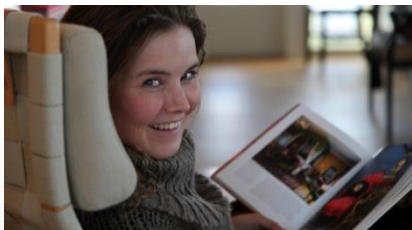
Population growth and housing starts in Sweden



Sources: SCB and Prognosesenteret AS

The Norwegian operation

Block Watne and Hetlandhus



Block Watne: Q1-2013



- Continued positive market situation
- Historically strong sales, solid margins and results
- Order backlog at satisfactory level; houses are sold closer to the date of completion.
- Geir Skoglund, new CEO of Block Watne from 18 April
- Ole Feet, new CEO of BWG Homes ASA from 24 May 2013

NOK million	Q1-2013		Q1-2012		Y/Y
Operating revenues	643		546		17.8%
EBITDA	112	17.5%	82	15.0%	37.1%
Order intake	693		606		14.3%
Order backlog	650		753		-13.6%
Number of units in production	1 016		1 012		0.4%
Number of employees	647		620		4.4%



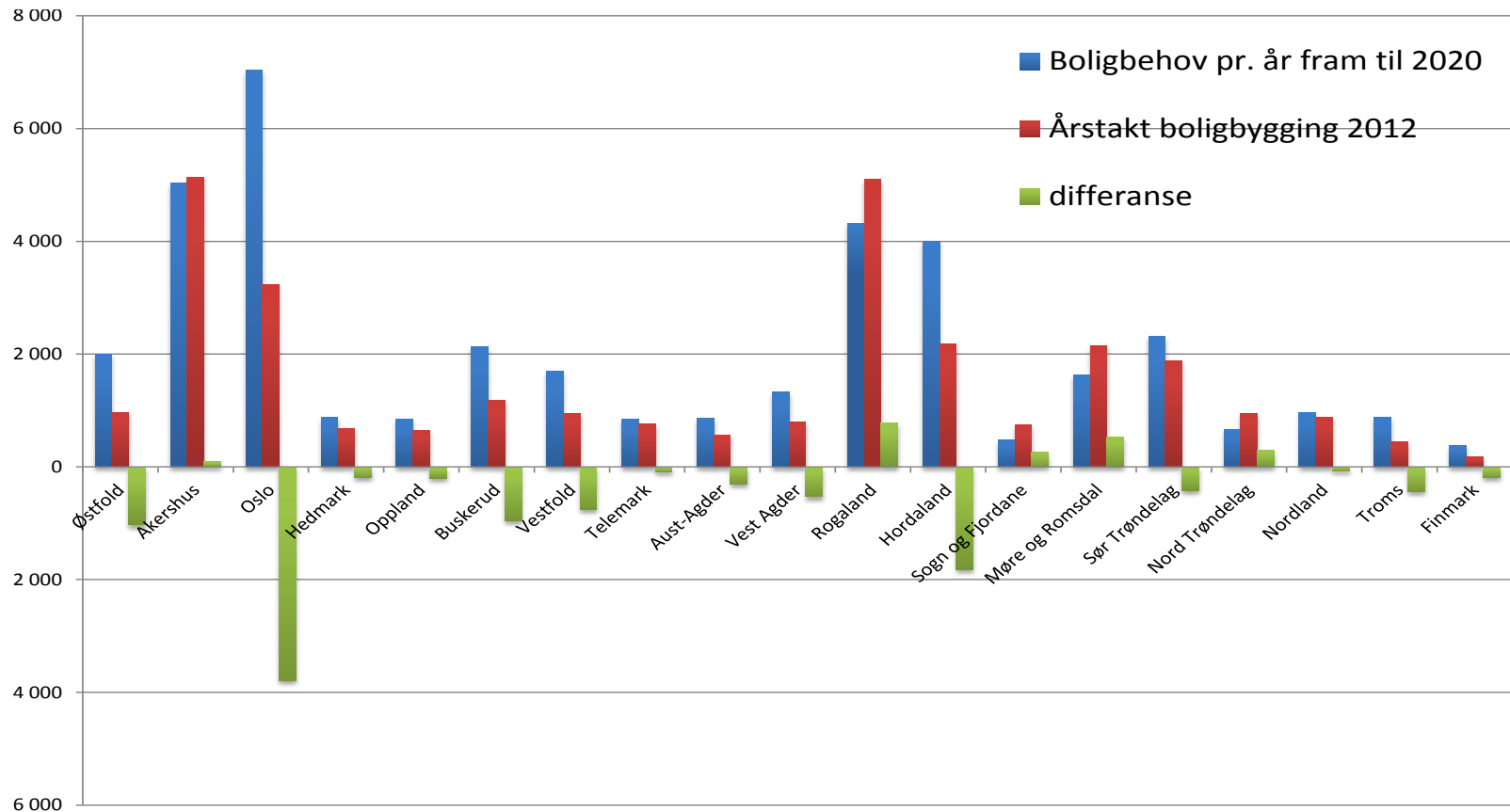
- Expanding number of sales agents
- Number of show houses to be increased
- Deliveries to residential projects, though in a small scale



Interior, house model Heggeli

Housing needs and housing starts in Norway

Housing starts 2012 versus average housing needs until 2020
(based on medium population growth scenario)



Sources: Boligprodusentenes forening and Prognosesenteret AS

Outlook



Future outlook

- Uncertain effects of the international financial situation going forward
- Signs of improvement in the Swedish market
- Still low interest rates and available credit facilities for customers in Norway. Positive market situation going forward
- On going focus on improvement programs
- To expand market share and increase profitability with production-efficient affordable house-types for residential projects
- Continued focus on sales and production in running projects
- Still undersupply of new homes both in Norway and Sweden



Welcome back 2nd Quarter 2013:
22 August 2013 at 11:00 hrs



Appendix 1

Shareholder Information

10 largest shareholders per 6 May 2013

SHAREHOLDER	% TOTAL
Oslo Bolig og Sparelag	32.99%
Fondsfinans Spar	2.94%
Odin Norge	2.87%
Skandinaviska Enskilda Banken	2.85%
Verdipapirfondet DNB SMB	2.74%
Odin Norden	2.66%
Storebrand Verdi	2.22%
SHB Swedish Fonds Lending	2.21%
Lani Industrier AS	2.04%
MP Pensjon PK	1.98%

- 1 919 shareholders own 136,121,433 shares
- 125 international shareholders own 29.6 million shares, corresponding to an ownership share of 22%
- CEO Lars Nilsen has a 2.34% holding

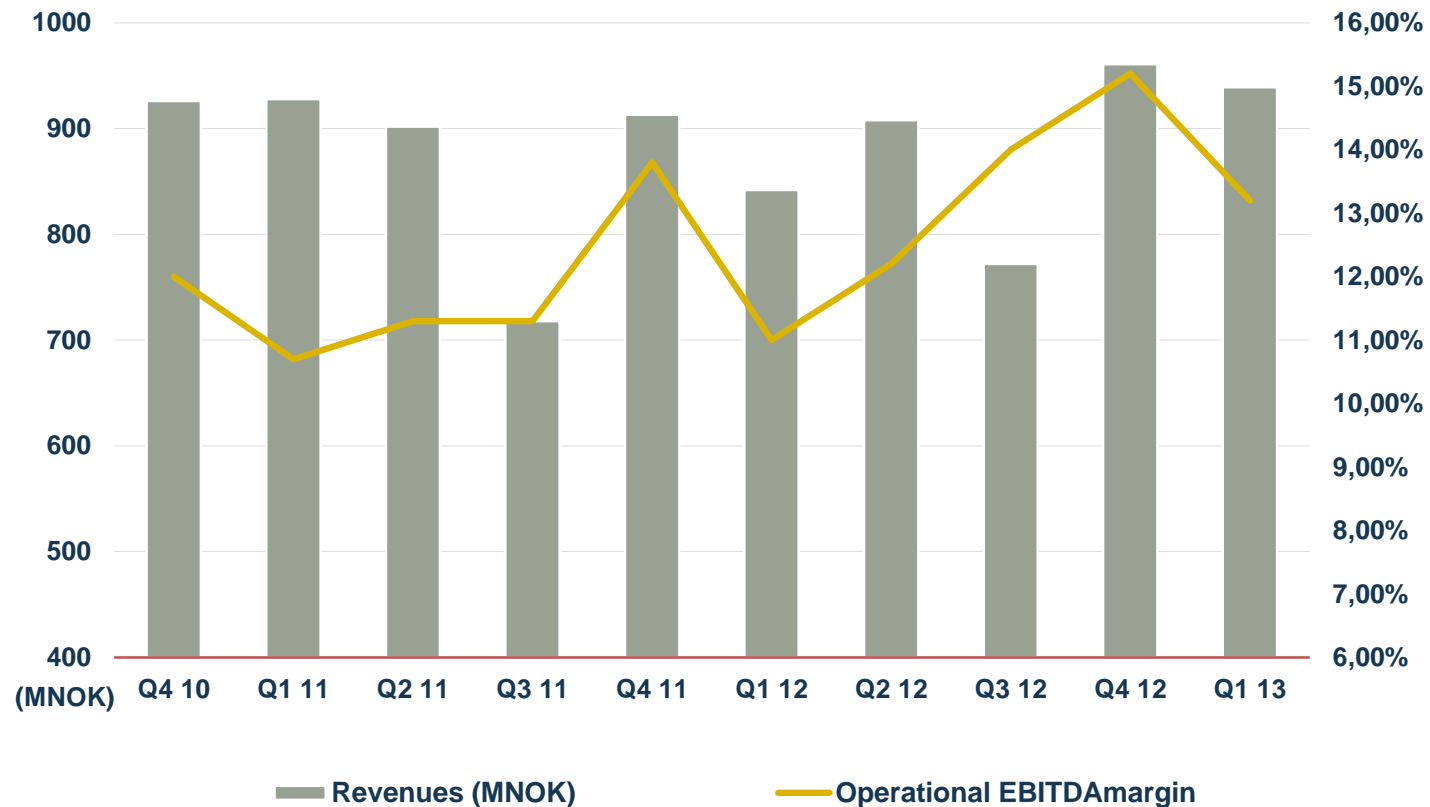
Share price development 2006 – 2013



- 40.9 million shares have been traded per 6 May 2013
- Closing price on 6 May 2013: NOK 13.80

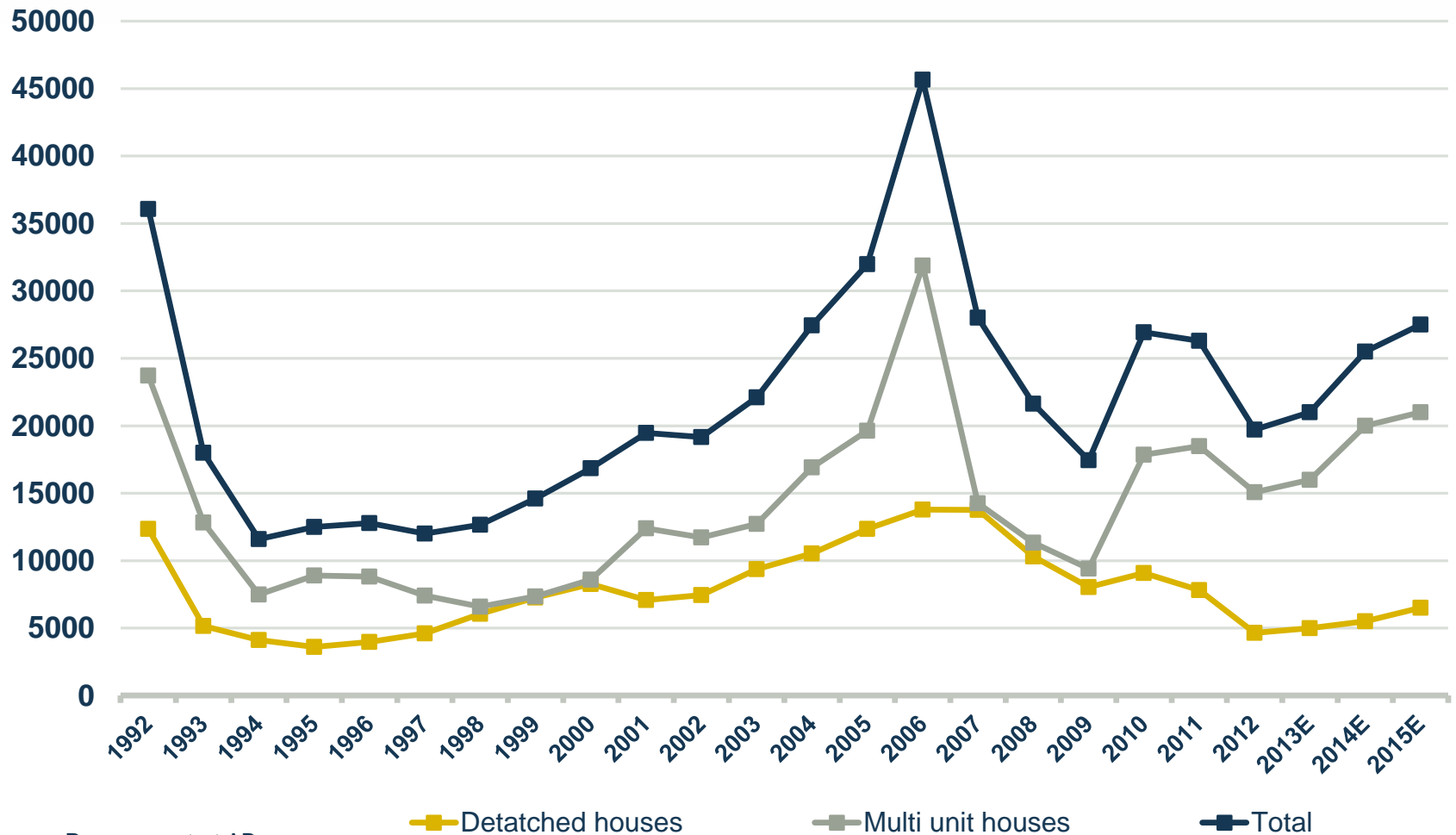
Appendix 2

Quarterly development of revenues and EBITDA margin



Appendix 3

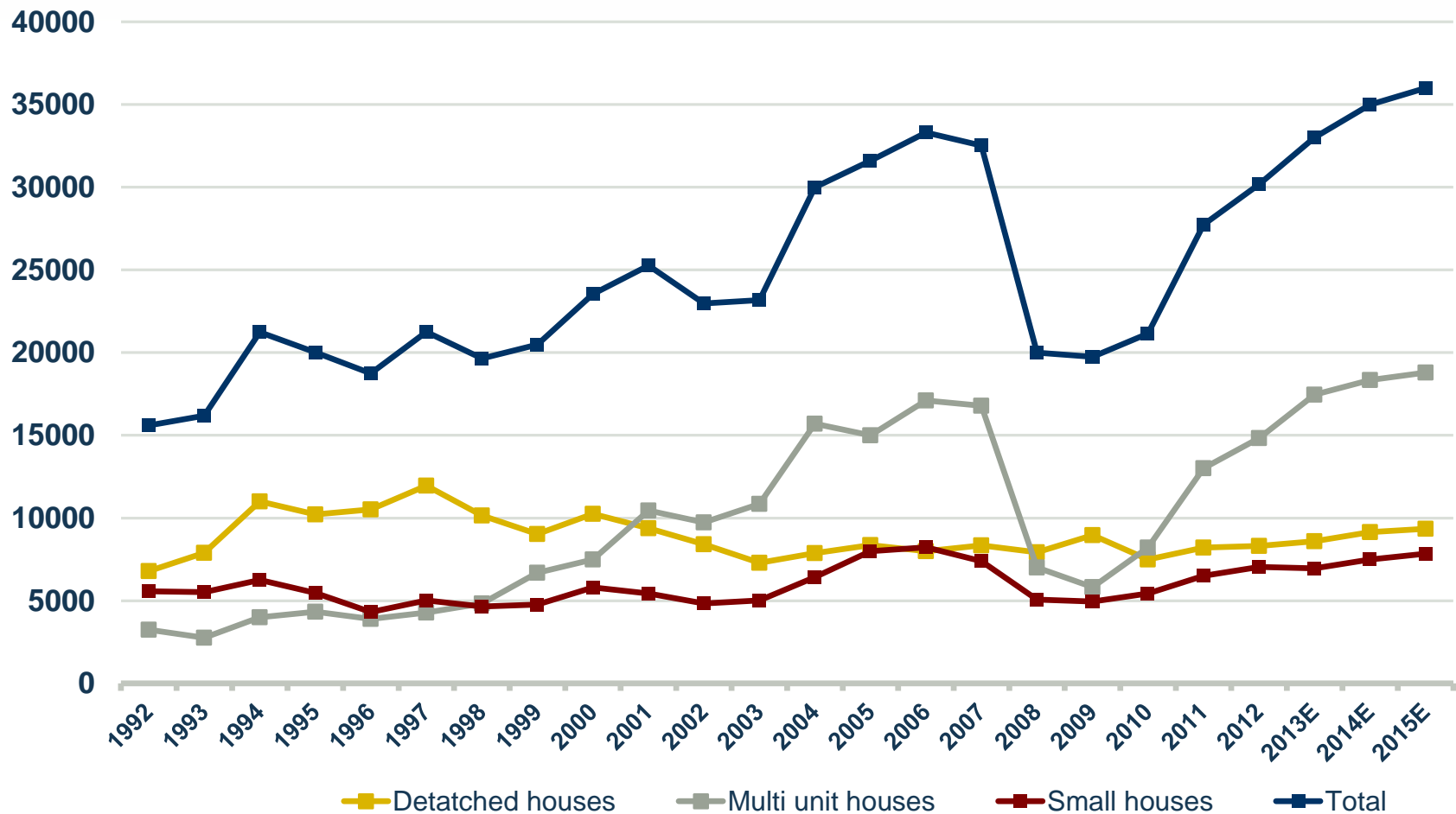
Housing starts in Sweden 1992–2015



Source: Prognoscentret AB

Appendix 4

Housing starts in Norway 1992–2015



Source: Prognosesenteret AS