



2nd Quarter 2012 presentation

22 August 2012

Lars Nilsen, CEO and Arnt Eriksen, CFO

Q2-2012 Highlights – Group

Solid results in Norway, still challenging in Sweden

- Positive development in revenues and strong results in the Norwegian segment
- Slow development in revenues and results in the Swedish segment due to weak sales in 2011. Some improvement in margins due to increased efficiency and lower costs
- Operational EBITDA-margin for the Group at 12.2%

Market conditions

- Continued strong market in Norway
- Stable at low levels, but signs of some improvement in Sweden
- Underlying demand for new homes in Norway and Sweden



Financials



Operational key figures Q2-2012: Based on operating results from the segments

NOK million	Q2-2012	Q2-2011	Y/Y
Operating revenues	908	902	0.7%
EBITDA	111	102	8.7%
<i>EBITDA margin</i>	12.2%	11.3%	
EBIT	108	96	12.4%
<i>EBIT margin</i>	11.9%	10.6%	
Cash flow from operations after interest and tax	-143	116	
New orders	937	830	12.9%
Order backlog	1 664	1 924	-13.5%
Number of employees	993	1 027	-3.3%

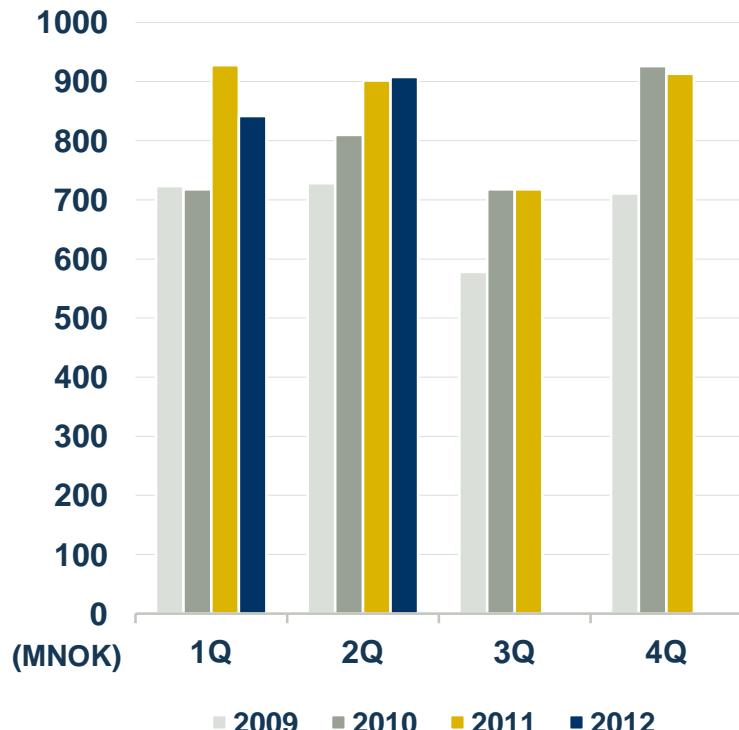
Operational key figures H1-2012:

Based on operating results from the segments

NOK million	H1-2012	H1-2011	Y/Y	2011
Operating revenues	1 750	1 829	-4.3%	3 461
EBITDA	203	201	1.1%	408
<i>EBITDA margin</i>	11.6%	11.0%		11.8%
EBIT	196	190	3.5%	386
<i>EBIT margin</i>	11.2%	10.4%		11.2%
Cash flow from operations after interest and tax	-231	-98		-150
New orders	1 848	1 857	-0.5%	3 199
Order backlog	1 664	1 924	-13.5%	1 613
Number of employees	993	1 027	-3.3%	978

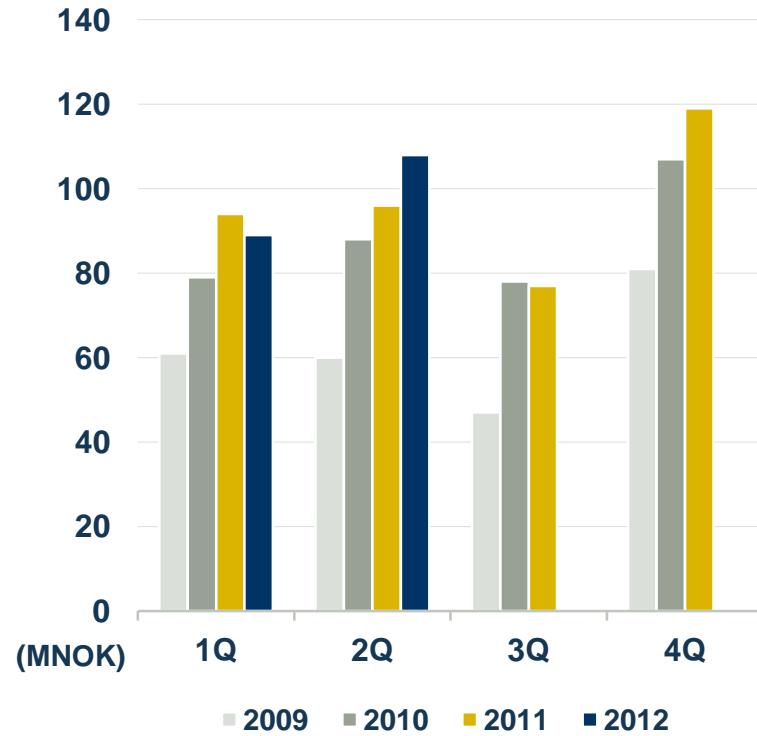
Improved results

Revenues: +0.7%



Revenue Q2-2012: NOK 908 million.
Revenue Q2-2011: NOK 902 million.

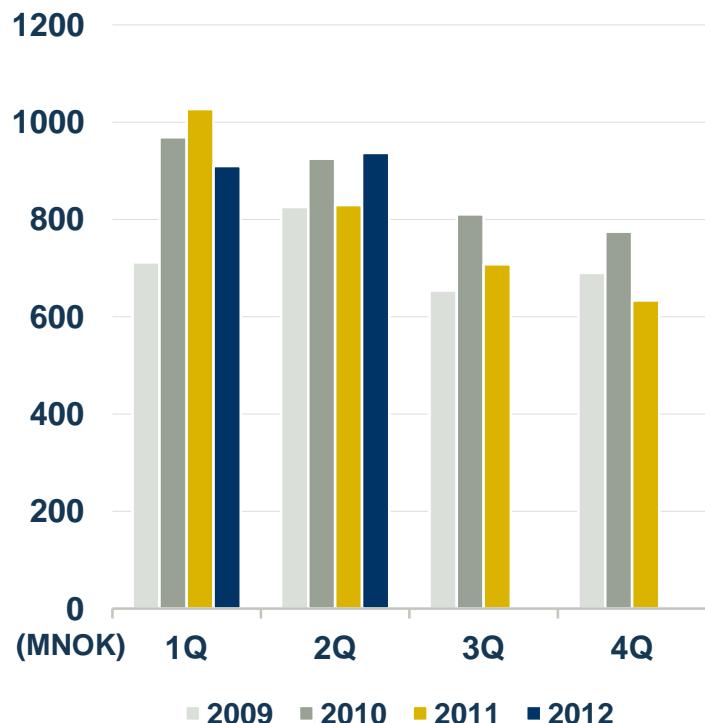
EBIT: +12.4%



EBIT Q2-2012: NOK 108 million, 11.9% margin.
EBIT Q2-2011: NOK 96 million, 10.6% margin.

Positive development in sales

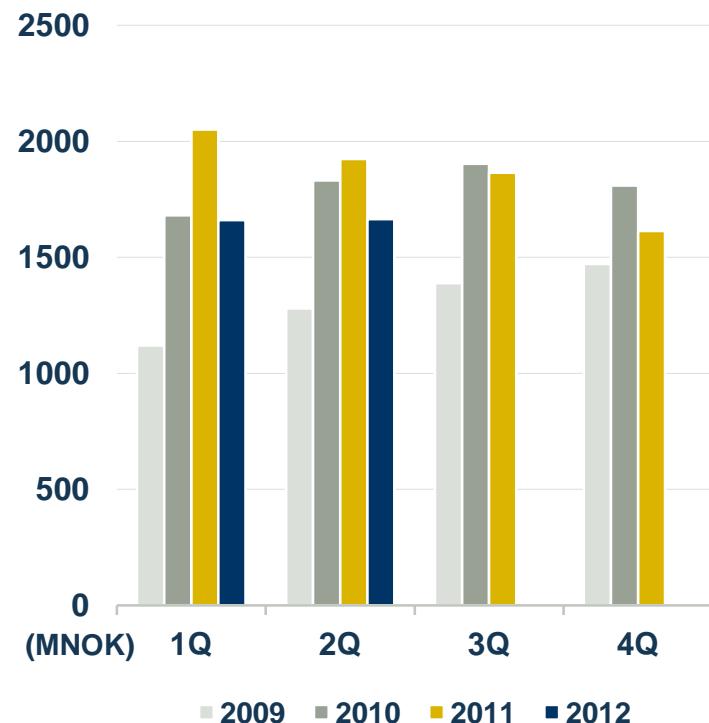
New orders: +12.9%



New orders Q2-2012: 937 million.

New orders Q2-2011: 830 million.

Order backlog: NOK 1.7 billion



Order backlog Q2-2012: NOK 1 664 million.

Order backlog Q2-2011: NOK 1 924 million.

Cash flow and Net interest-bearing debt

NOK million	Q2-2012	Q2-2011	H1-2012	H1-2011	2011
Net cash flow from operating activities	-143	116	-231	-98	-150
Net cash flow from investing activities	0.6	23	-6	22	16
Net cash flow from financing activities	-57	-125	265	28	190
Change in cash in period	-199	14	29	-48	56
Net interest-bearing debt	1 406	1 527	1 406	1 527	1 603

- Net cash flow from operations is negative due to increased volume of projects and tied-up working capital
- Net interest-bearing debt decreased by NOK 197 million from year-end, and increased by NOK 108 million from the previous quarter
- All covenants fulfilled for Q2-2012

Financial position (IFRS)

NOK million	30.06.12	30.06.11	31.12.11
Total non-current assets	2 546	2 526	2 567
Total inventory and land	2 655	2 154	2 366
Total receivables	168	179	124
Bank deposits and cash	195	62	166
Total current assets	3 018	2 394	2 656
Total assets	5 565	4 920	5 223
Total equity	2 447	1 820	1 946
Total provisions	240	250	249
Long-term interest-bearing debt	886	959	939
Short-term interest-bearing debt	714	630	830
Total current liabilities	1 277	1 262	1 259
Total equity and liabilities	5 565	4 920	5 223
Equity ratio	44.0%	37.0%	37.3%

Strong IFRS key figures Q2-2012 and 1H-2012

NOK million	Q2-2012	Q2-2011	Y/Y	1H-2012	1H-2011	Y/Y	2011
Operating revenues	892	872	2.2%	1 759	1 592	10.5%	3 245
EBITDA	96	98	-1.9%	187	129	45.3%	338
<i>EBITDA margin</i>	10.8%	11.2%		10.7%	8.1%		10.4%
EBIT	93	92	1.2%	181	118	53.2%	316
<i>EBIT margin</i>	10.5%	10.6%		10.3%	7.4%		9.7%
EBT	70	57	21.2%	121	67	80.8%	221
Earnings in the period	50	42	19.6%	87	49	78.5%	159
EPS (NOK)	0.37	0.43		0.72	0.50		1.62

→ Growth in IFRS revenues and strong results in 1 Half 2012 due to increased number of house deliveries

The Swedish operation



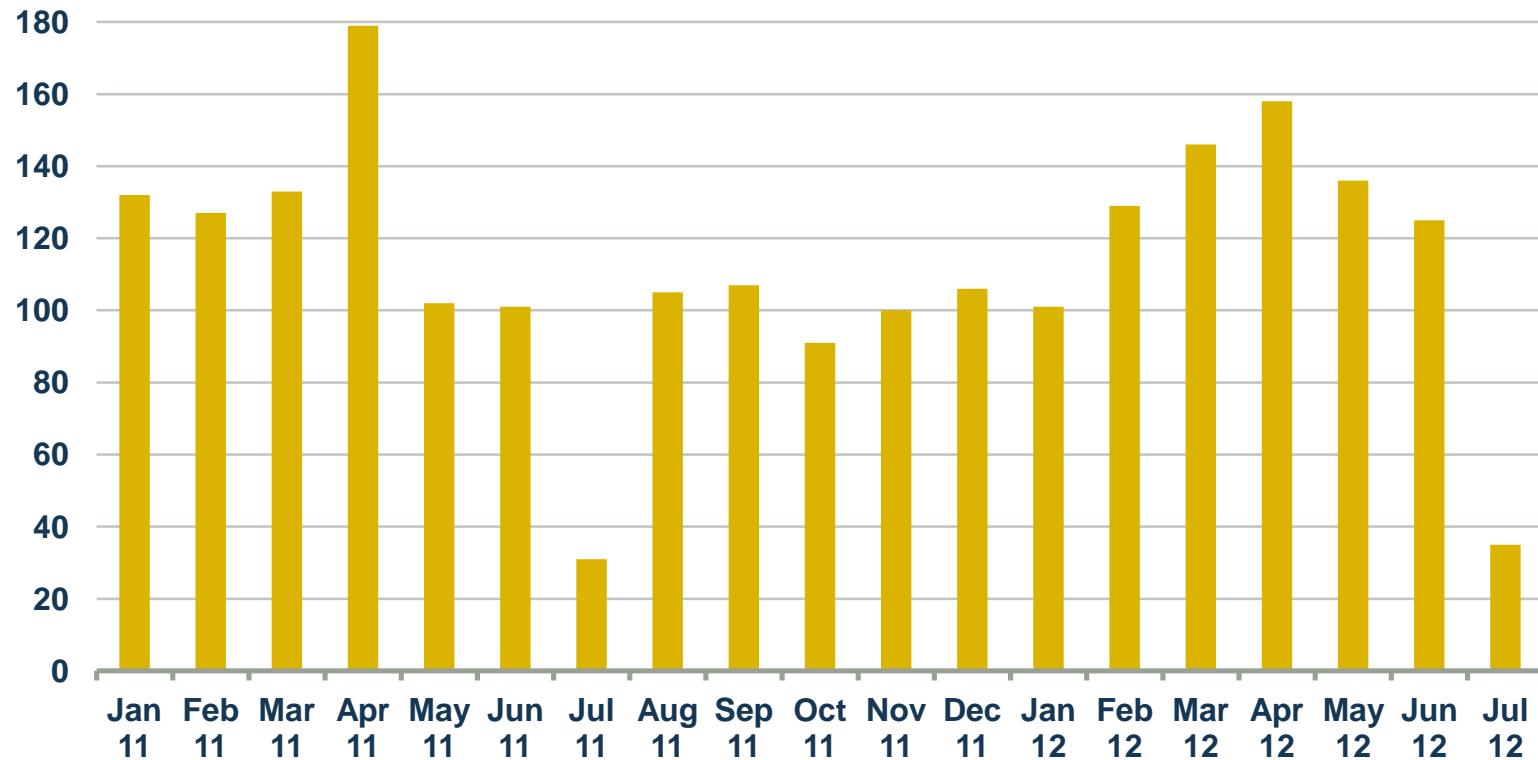
Sweden: Q2-2012

- Still a challenging market situation. Weak sales through 2011 into 2012 affect revenues. Sales slightly improving compared to previous quarters
- Improvement programmes have given reduced costs and better efficiency and quality in production
- Increasing production output in SmålandsVillan in Q2
- Focus on residential projects in growth regions and further product development

NOK million	Q2-2012		Q2-2011		Y/Y
Operating revenues	305		407		-25.0%
Gross profit	84	27.5%	108	26.6%	-22.4%
EBITDA	21	6.8%	36	9.0%	-43.0%
EBIT	17	5.7%	33	8.1%	-47.0%
Order intake	371		332		11.7%
Order backlog	919		896	at year-end 2011	
Number of employees	355		422		-15.9%



Development in sales last 19 months (MSEK)



The Norwegian operation



Norway: Q2-2012

- Continued positive market situation
- Increased revenues, strong margins and results
- Efficient production and strengthened capacity
- Order backlog at satisfactory level

NOK million	Q2-2012		Q2-2011		Y/Y
Operating revenues	595		492		20.9%
Gross profit	172	28.9%	142	28.9%	20.9%
EBITDA	92	15.5%	68	13.9%	35.0%
EBIT	93	15.6%	66	13.5%	40.1%
Order intake	566		498		13.8%
Order backlog	745		717 at year-end 2011		
Number of employees	631		599		5.3%



Norwegian operation: Hetlandhus brand



- 90 houses sold during 2011
- 25 houses sold in H1-2012
- 29 deliveries in 2012 so far
- 4 show houses



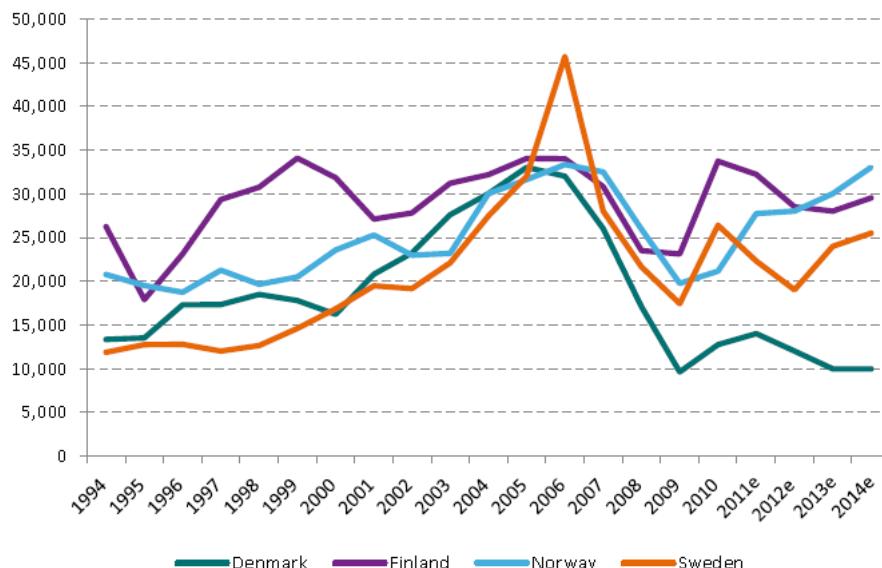
House model Lønneberget

Outlook

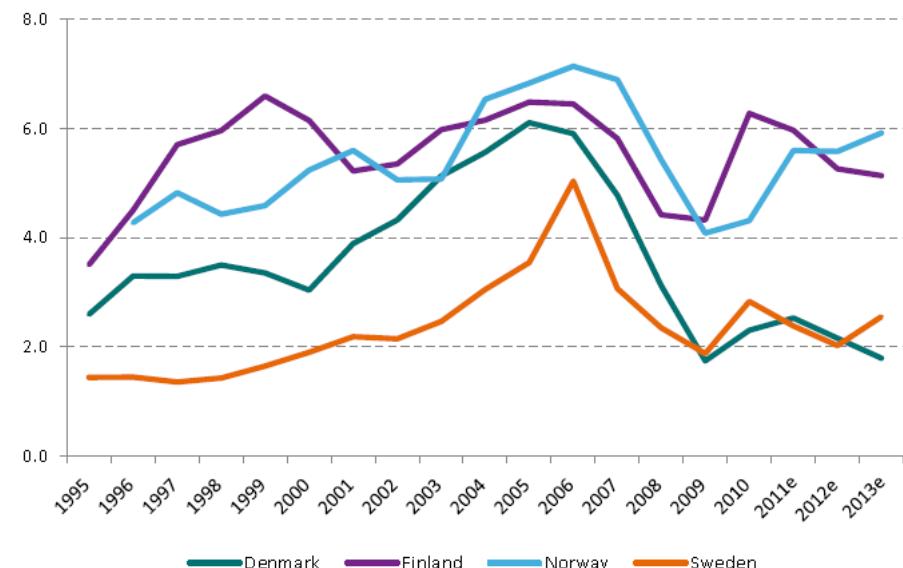


Housing starts in the Nordics

Housing starts - Total



Housing starts per 1000 capita



Sources: Euroconstruct, Prognosesenteret AS, DNB Markets

Outlook 2012

- Uncertain effects of the international financial situation going forward
- Mortgage financing costs and limits are a challenge in Sweden. Sales seem to strengthen from low levels
- Still low interest rates and available credit facilities for customers in Norway. Positive market situation going forward
- On going focus on improvement programs and development of more production-efficient affordable house-types
- Continued focus on sales and production in running projects
- Still undersupply of new homes both in Norway and Sweden



Welcome back 3rd Quarter 2012: 1 November 2012 at 11:00 hrs



Liakollen, Kongsvinger

Appendix 1

Shareholder Information

10 largest shareholders per 20 August 2012

SHAREHOLDER	% TOTAL
Oslo Bolig og Sparelag	19.46%
Lani Industrier AS	15.57%
Orkla ASA	3.12%
Odin Norge	2.86%
DnB NOR SMB VPF	2.74%
Odin Norden	2.66%
Storebrand Verdi	2.38%
Skandinaviska Enskilda Banken	2.10%
MP Pensjon PK	1.98%
SHB Stockholm	1.92%

- 2 091 shareholders own 136,121,433 shares
- 111 international shareholders own 23.9 mill shares, corresponding to an ownership share of 17.5%
- CEO Lars Nilsen has a 15.87% holding

Share price development 2006 – August 2012



- 48.5 million shares have been traded per 20 August 2012
- Closing price on 20 August 2012: NOK 12.65