

MAGNOLIA

**Magnolia Bostad
Quarterly Report
Group
January–March
2016**

Q1

January–March 2016

The quarter in brief

SEK million	Q1	
	2016	2015
Net sales	209.8	19.4
Operating profit/loss	99.5	146.1
Profit/loss after tax	85.8	138.7
Earnings per share (SEK)	2.01	4.43
Equity (December 31)	856.0	427.2
Equity per share (SEK)	19.92	11.32

Operating profit for Q1 2015 was positively impacted by approximately SEK 153 million as a result of the revaluation of the Senapsfabriken project during the transfer from associated company to subsidiary.

Significant events during the quarter

- Magnolia Bostad expands its organization in Stockholm and Helsingborg with the addition of seven staff members.

- Magnolia Bostad signs a cooperation agreement with Västerkulla Hotel. Under the agreement, Västerkulla Hotell Holding AB has the possibility to acquire the hotels that Magnolia Bostad develops.
- Magnolia Bostad acquires the Antikvarien 1 and Arkeologen 1 properties in Mariastaden from Helsingborg Municipality. At the same time, it sells the 345 rental apartments that will be developed on these properties to SPP Fastigheter.
- Magnolia Bostad and Helsingborg Municipality sign a declaration of intent to collaborate on the development of new rental apartments with reasonable rents.
- Magnolia Bostad signs a land allotment agreement for 600 apartments in the Norra Kajen harbor area in Sundsvall.
- The sales target was achieved for the Varvet block of the Kani-kenäsholmen project in Karlstad.
- Magnolia Bostad annuls contracts concerning the Huvudkontoret

project, which consists of 90 tenant-owned apartments in Uppsala, since it was prevented from starting work on the property by the seller, Bergsporten AB.

Significant events after the quarter

- Magnolia Bostad concludes a bond issue to primarily Swedish investors. The bonds amount to SEK 600 million and will bear a floating coupon of 3 months Stibor + 6.25%. The Company also announces that it will redeem all outstanding bonds under its 2014/2018 and 2013/2016 bonds.
- Magnolia Bostad acquires building rights for approximately 700 homes in central Södertälje. At the same time, the company sells 436 rental apartments that are to be developed in the first phase of the project to SPP Fastigheter. Total property value at completion of this first phase of the project is estimated at approximately SEK 750 million.

Key ratios – Group

SEK million	2016 March 31	2015 March 31	2015 Dec 31
Net sales	209.8	19.4	875.7
Operating profit/loss	99.5	146.1	357.1
Operating margin (%)	47.4	754.4	40.8
Profit/loss after financial items	85.8	138.7	307.3
Net profit/loss for the period	85.8	138.7	306.7
Cash flow from operating activities	-22.0	30.9	-149.5
Equity/assets ratio (%)	41.7	32.4	40.8
Earnings per share after tax (SEK)	2.01 ¹⁾	4.43 ¹⁾	7.60 ¹⁾
Number of basic outstanding shares	37,822,283	31,288,942	37,822,283
Number of outstanding shares after full dilution	37,982,283 ²⁾	31,288,942 ²⁾	37,982,283 ²⁾
Return on total equity (%)	5.1	13.9	26.8
Interest coverage ratio (multiple)	7.1	17.8	6.9
Equity per share (SEK)	19.92 ¹⁾	11.32 ¹⁾	17.90 ¹⁾

¹⁾ Excluding the minority ²⁾ 160,000 warrants are held by the Magnolia Bostad Group.

Magnolia Bostad reports on the first quarter

Magnolia Bostad is reporting today on the first quarter of 2016. The Company is reporting an operating profit/loss for the period of SEK 99.5 million (146.1). Profit/loss after tax was SEK 85.8 million (138.7), which adjusted for items affecting comparability is the company's best result to date.

We started the year by signing a co-operation agreement with Helsingborg Municipality, under which we will work together with the municipality to develop more reasonably priced rental units. We are currently running projects totalling more than 1,000 rental units in Helsingborg, and thanks to this we are the largest developer of rental units in the municipality. I view the declaration of intent to be a confirmation that we will be able to continue to expand in the municipality.

Transaction with SPP Fastigheter

Shortly after publishing the news about the cooperation agreement, we were able to announce that we had acquired two properties, Antikvarien 1 and Arkeologen 2, in the Maria Station area of Helsingborg Municipality. The 345 rental units that the Company will develop on these properties were sold at the same time to SPP Fastigheter.

I am pleased to also be able to announce our first project in Sundsvall. In March we signed a land allotment agreement with Norra Kajen AB, a municipal company, for around 600 apartments in the municipality's largest urban development project, Norra Kajen.

Sales target reached in Karlstad

Sales of tenant-owned apartments in our Kanikenäsholmen project in Karlstad are progressing very well. Binding agreements have been signed for basically all of the 92 apartments in the Varvet block. Sales for the final stage, eight apartments in two buildings on the neighboring property, will begin later this year.

More good news is that we successfully conducted a bond issue for SEK 600 million. The strong interest illustrates that investors trust Magnolia Bostad and that we have had fast but controlled growth. As a result, we are a significantly stronger company in terms of market position and stability. Due to this new funding, we are well equipped to become the leading residential developer in Sweden.

Seven new employees

During the quarter we strengthened our organization, both in Stockholm and in the regional office in Helsingborg, by employing seven new

colleagues in project management, business development, marketing and accounting. We will continue to recruit new employees over the next few months.

Stockholm, May 2016



Fredrik Lidjan
CEO



Magnolia Bostad's CEO Fredrik Lidjan.

Market

Market trends

The construction of residential projects has accelerated significantly over the past two years in Sweden, and production is currently estimated to be at around 45,000 to 50,000 residential units per year for the years 2015 – 2016. However, these levels are low taking into consideration population growth and the current housing shortage. According to calculations by the National Board of Housing, Building and Planning, 461,000 residential units need to be built by 2020 and around 700,000 by 2025.

The investment market during the first quarter was marked by a strong demand for residential properties, which represented 17.3 percent of the total transaction volume. The transaction volume in the first quarter (transactions greater than SEK 100 million) amounted to around SEK 11 billion, compared to the fourth quarter, which was at just above SEK 43 billion.

The total transaction volume (transactions greater than SEK 100 million) for 2015 according to Newsec amounted to SEK 134 billion, which is lower than the transaction volume in 2014 (SEK 149 million).

In terms of volume during all of 2015, the largest individual segment, commercial properties, represents 32 percent. Residential properties are the second-largest segment, with 22 percent of the total transaction volume.

Rental apartments

According to IPD Svenskt Bostadsindex, the total return on residential properties in Sweden was 14.7 percent in 2015, of which the value increased by around 10.5–11 percent.

The yield requirement for centrally located residential properties in the metropolitan areas of Stockholm, Gothenburg and Malmö has fallen steadily since 2008. This development shows that the residential sector is judged to be a stable investment sector facing low risks. The yield requirement for centrally located residential properties in the best locations in Stockholm, Gothenburg and Malmö during 2015 is judged by Newsec to be 1.70 percent, 2.05 percent and 2.95 percent, respectively.

Tenant-owned apartments

The housing markets in the metropolitan areas have been very strong the past two years. After having noted a clear slow-down in the housing markets in the metropolitan areas at the end of last year, according to SBAB's Mäklarbarometer real estate agents are reporting that the markets recovered during the first quarter. Demand, bidding and selling prices increased faster than in the previous quarter and time-to-sale continued to fall.

In terms of Sweden as a whole, tenant-owned apartment prices increased by 3 percent during the most recent quarter, according to Mäklarstatistik. In Greater Stockholm, house prices increased by 2 percent during the quarter, in Greater Gothenburg by 4 percent and in Greater Malmö by 5 percent. According to SBAB's Mäklarbarometer, the real estate agents in the metropolitan areas are carefully optimistic about the second quarter of 2016. Both supply and demand are expected to increase and prices are expected to increase at around the historical average.



Bryggeriet Helsingborg

Magnolia Bostad is planning to build 327 rental units in four blocks in downtown Helsingborg. This housing project is part of H+, Helsingborg Municipality's major urban renewal project for the southern part of the city.

The apartments were sold to Alecta in conjunction with the acquisition of the land.

Project facts

Location: Helsingborg
Type of ownership: Rental
Number of apartments: 327
Architect: Jaenecke Arkitekter
Planned occupancy: 2018–2019

Magnolia Bostad Project Portfolio

The table below shows ongoing and future projects, sold projects in production and properties being sold. Associated companies are not included.

Project	Property	City	Type of ownership	No. of housing units	Gross area (sqm)	Living area (sqm)	Phase	Estimated start of production	Estimated occupancy
ONGOING AND FUTURE PROJECTS									
Åby Ängar ¹⁾	Vallentuna-Åby 1:94	Vallentuna	R	150	8,100	6,100	CD	2016	2018
Kanikenösholmen (Townhouse) ¹⁾	Varvet 4 & Part of Varvet 2	Karlstad	TO	8	800	700	CD	2016	2018
Senapsfabriken ²⁾	Kungsängen 25:1, blocks 2 & 3	Uppsala	R	1,150	66,000	50,000	CD	2016	2018-2019
Åby Ängar ¹⁾	Vallentuna-Åby 1:149	Vallentuna	R	150	8,100	6,100	CD	2016	2018
Södra Ladugårdsängen ¹⁾	Part of Nikolai 3:65	Örebro	R	175	10,000	8,000	CD	2016	2018
Bålsta Centrum ¹⁾	Part of Våppeby 7:7	Bålsta	R/TO	440	31,800	22,000	P	2017	2019
Lilium ¹⁾	Part of Gamla Uppsala 99:1	Uppsala	TO	70	3,700	3,200	CD	2017	2018
Östra Sala Backe ¹⁾	Östra Sala Backe, P2, block 5	Uppsala	R	110	6,700	5,200	CD	2017	2018
Norrbacka ¹⁾	Sigtuna Norrbacka 1:32-36	Sigtuna	R	180	15,000	11,500	P	2017	2019
Orminge Centrum ¹⁾	Orminge 52:1	Nacka	R	400	35,000	25,000	P	2017	2019
Ängby ¹⁾	Ängby 1:1	Knivsta	R/TO	200	18,000	14,000	P	2017	2019
Arlöv ¹⁾	Burlöv Arlöv 20:58 and others	Burlöv	R	250	16,500	12,500	P	2017	2019
Norra Kajen ¹⁾	Norrmalm 3:18 & 4:2	Sundsvall	R	600	40,000	30,000	P	2018	2020
Frihamnen ³⁾	Part of Lundbyvassen 736:168	Gothenburg	Hotel	-	12,000	-	P	2018	2019
Frihamnen ¹⁾	Part of Lundbyvassen 736:168	Gothenburg	R	150	10,500	8,000	P	2018	2019-2020
Oceanhamnen ¹⁾	Part of Gamla Staden 1:1 and others	Helsingborg	R	110	8,500	6,500	CD	2018	2020
Lommarstranden ¹⁾	Part of Tälje 4:62	Norrälje	R	200	15,000	11,000	P	2018	2020
Skogskarlen 3	Skogskarlen 3	Solna	TO	130	8,000	6,000	P	2018	2020
Stora Råby ¹⁾	Stora Råby 33:2 and others	Lund	R	330	23,800	18,000	P	2018	2020
Instrumentet 2	Instrumentet 2	Stockholm	TO	100	6,100	4,700	P	2019	2020
Total				4,903	343,600	248,500			

¹⁾ Magnolia Bostad's share of the profit amounts to 90%.

²⁾ Magnolia Bostad's share of the profit amounts to 76.3%, including forward transactions.

³⁾ Magnolia Bostad's share of the profit amounts to 60%.

Type of ownership: R=Rental unit, TO=Tenant-owned, COND=Condominium

Phase: P=Planning work, CD=Concept development and sales, C=Construction

Living area(Ongoing and future projects and properties being sold): Estimated area based on preliminary blueprints or calculated using standardized figures.

Project	Property	City	Type of ownership	No. of housing units	Gross area (sqm)	Living area (sqm)	Phase	Estimated start of production	Estimated occupancy
SOLD PROJECTS IN PRODUCTION									
Traversen 18	Traversen 18	Sollentuna	R	230	16,800	13,200	C	2014	2015-2016
Nya Parken Allé	Publiken 1	Norrköping	R	268	21,900	16,600	C	2014	2016
Tibble	Kungsängens-Tibble 19:1	Kungsängen	R	40	3,300	2,600	C	2014	2016
Tibble	Kungsängens-Tibble 20:2	Kungsängen	R	93	6,600	5,200	C	2014	2016
Valsta Torg ¹⁾	Sigtuna Valsta 3:190	Sigtuna	TO	42	1,960 ³⁾	1,960	C	2015	2015-2016
M6	Muttern 6	Stockholm	TO	55	2,900 ³⁾	2,900	C	2015	2016
Lumen	Trapphuset 1	Sollentuna	TO	90	6,600	4,750	C	2015	2017-2018
Kanikenäsholmen ¹⁾	Part of Varvet 2	Karlstad	R	216	15,700	12,300	C	2015	2017-2018
Mariastaden ¹⁾	Slagan 1	Helsingborg	R	292	14,700	12,500	C	2015	2017-2018
Nyby ¹⁾	Part of Gamla Uppsala 99:1	Uppsala	R	325	19,500	15,200	C	2015	2017-2018
Limhamn ¹⁾	Limhamn 151:467 & 151:470	Malmö	R	280	15,900	12,100	C	2015	2018
Bryggeriet ¹⁾	Norrland 11	Helsingborg	R	327	19,000	14,700	C	2015	2018-2019
Maria Station ¹⁾	Arkeologen 1 and Antikvarien 1	Helsingborg	R	345	20,000	16,000	C	2016	2018
Kanikenäsholmen (Kvarteret Varvet) ¹⁾	Varvet 4 & Part of Varvet 2	Karlstad	TO	92	7,900	6,100	C	2016	2018
Total				2,695	172,760	136,110			
PROPERTIES BEING SOLD									
Senapsfabriken ^{2,4)}	Kungsängen 25:1, block 1	Uppsala	TO	400	29,000	22,000			
Kopplingsboxen 26	Kopplingsboxen 26	Stockholm	TO	20	1,130	870			
Total				420	30,130	22,870			
Total ongoing projects, sold projects in production and properties being sold				8,018	546,490	407,480			

¹⁾ Magnolia Bostad's share of the profit amounts to 90%.

²⁾ Magnolia Bostad's share of the profit amounts to 76.3%, including forward transactions.

³⁾ Living area

⁴⁾ Magnolia Bostad entered into an agreement in February 2013 to sell this part of the property, on the condition that the land can be divided as intended.

Type of ownership: R=Rental unit, TO=Tenant-owned, COND=Condominium

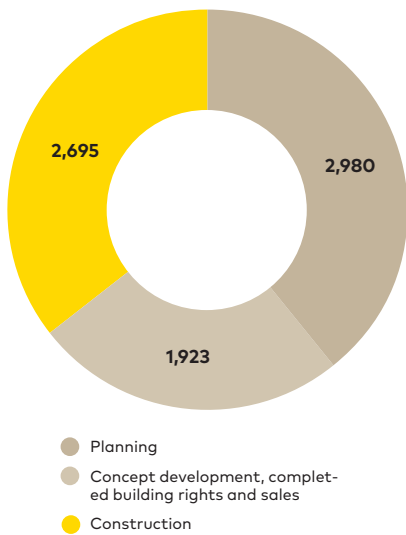
Phase: P=Planning work, CD=Concept development and sales, C=Construction

Living area(Ongoing and future projects and properties being sold): Estimated area based on preliminary blueprints or calculated using standardized figures.

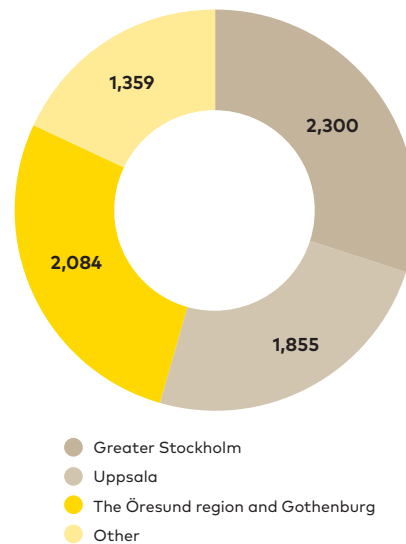
Magnolia Bostad Project Portfolio in diagrams

Ongoing and future projects and sold projects in production

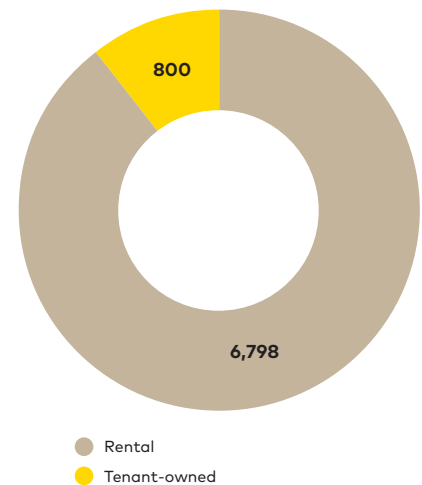
Number of apartments per development phase¹⁾²⁾



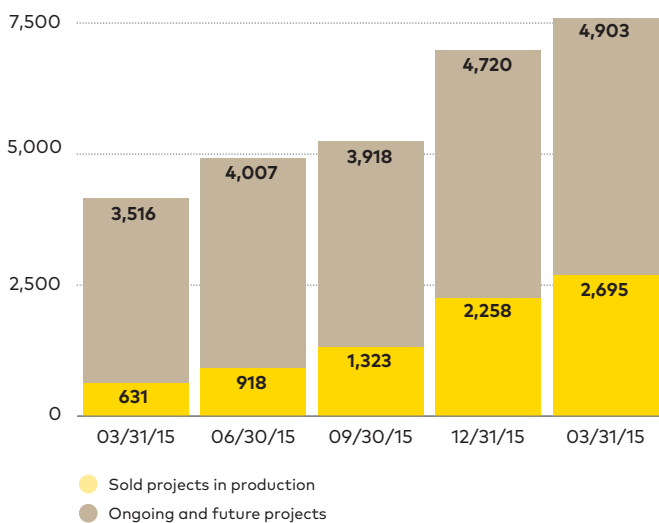
Number of apartments per geographical area¹⁾²⁾



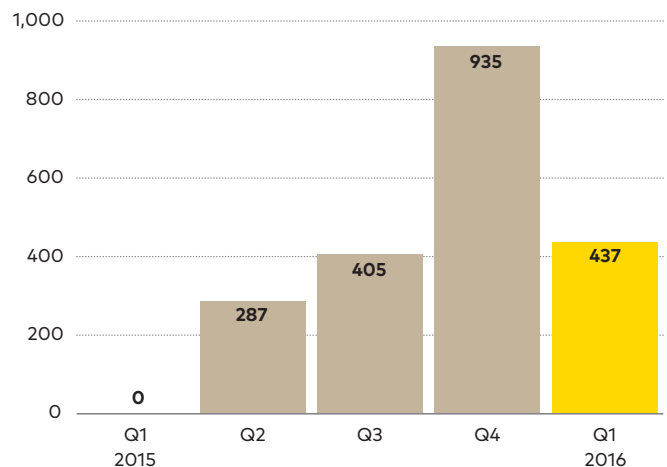
Number of apartments per type of ownership¹⁾²⁾



Ongoing and future projects and sold projects in production, number of apartments¹⁾²⁾



Number of apartments in production¹⁾



Sold apartments

	Q1	
	2016	2015
Rental	345	0
Tenant-owned ³⁾	79	0

During the first quarter of 2016, the number of homes in the project portfolio increased by 619 apartments to 7,597. Production of 437 apartments was initiated, compared to 0 in Q1 2015. During the quarter 375 rental apartments and 79 tenant-owned apartments³⁾ were sold, compared to 0 rental and 0 tenant-owned apartments in Q1 2015.

¹⁾ Refers to ongoing and future projects and sold projects in production. Properties being sold/associated companies are excluded.

²⁾ Refers to all apartments in each project, i.e. no adjustment for partly owned projects.

³⁾ Refers to tenant-owned apartments for which there are binding agreements with tenant-owners.



Bålsta Torg Greater Stockholm

Bålsta Centrum is undergoing an extensive transformation with a new transportation hub, city square and residential blocks. Magnolia Bostad will build a new transportation hub and 440 apartments with varying forms of ownership as well as a grocery store covering a total area of 3,000 sqm.

Project facts

Location: Bålsta (Häbo Municipality)
Type of ownership: Rental apartments and tenant-owned apartments
Scope: 440 apartments, transportation hub and grocery store
Architect: ETTTELVA Arkitekter/Tengbom
Planned occupancy: 2019

Financial performance

Profit/loss for Q1 2016

Consolidated net sales for Q1 2016 totaled SEK 209.8 million (19.4). The company reported an operating profit of SEK 99.5 million (146.1). Operating profit for Q1 2015 was positively impacted by approximately SEK 153 million as a result of the revaluation of the Senapsfabriken project during the transfer from associated company to subsidiary. Turnover and operating profit for the first quarter 2016 was positively affected by the sale of the Maria Station rental project in Helsingborg and the Kanikenäsholmen tenant-owned apartment project in Karlstad.

Net financial items were SEK -13.7 million (-7.4). This change is attributable to increased interest expenses related to increased bank funding in conjunction with investments in new projects. Profit before tax was SEK 85.8 million (138.7).

Balance sheet at March 31, 2016

The balance sheet total at the end of Q1 2016 was SEK 2,051.1 million (1,317.2), which is an increase of SEK 733.9 million compared to March 2015. This increase is primarily due to the new share issue conducted in conjunction with the IPO of the company's shares on NASDAQ First North in June, the acquisition of the Nacka Orminge 52:1 property and recognized project gains. Equity attributable to the Parent Company's shareholders amounted to SEK 753.2 million (354.1) in Q1 2016. The minority share of equity was 102.7 (73.1). The equity/assets ratio increased to 41.7 percent (32.4).

Cash flow and financing

The Group's available liquidity at the end of the period was SEK 170.4 million (67.0). Cash flow from operating activities in Q1 totaled SEK -22.0 million (30.9). During the quarter, cash flow from investing activities totaled SEK 0.0 million (-1.2). Financing activities amounted to SEK -0.1 million (0.0). The

total interest-bearing borrowings amounted to SEK 873.3 million (787.6) on March 31.

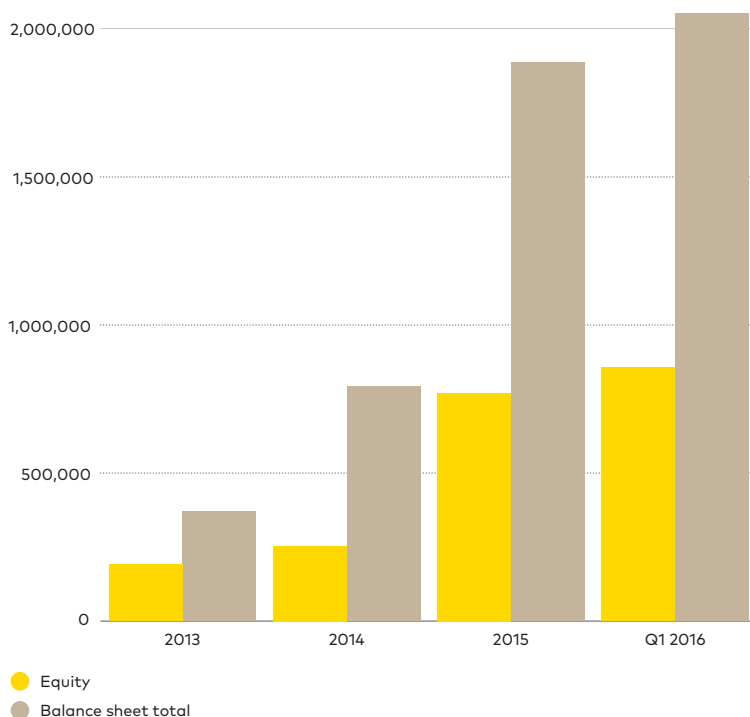
Accounting and measurement principles

As of 2014, the financial statements are prepared in accordance with the Annual Accounts Act and the Swedish Accounting Standards Board's general guideline, BFNAR 2012:1 (K3). The accounting and measurement principles are in agreement with those applied in the 2015 Annual Report and which are reported there in the notes on pages 78-79. Key ratio definitions agree with those applied in the 2015 Annual Report and can be found there on page 88.

This report has not been audited by the company's auditors.

Comparison figures provided in parentheses refer to the same period the previous year.

Equity and total assets, SEK thousand



Stock

F. Holmström Fastigheter AB, in which Fredrik Holmström has a controlling interest through companies, holds a 56.3 percent stake in Magnolia Bostad. As at March 31, 2016 there were 1,058 (21) shareholders. The share is admitted for trading on Nasdaq First North under the short name MAG. The total number of issued shares at the end of the period was 37,822,283.

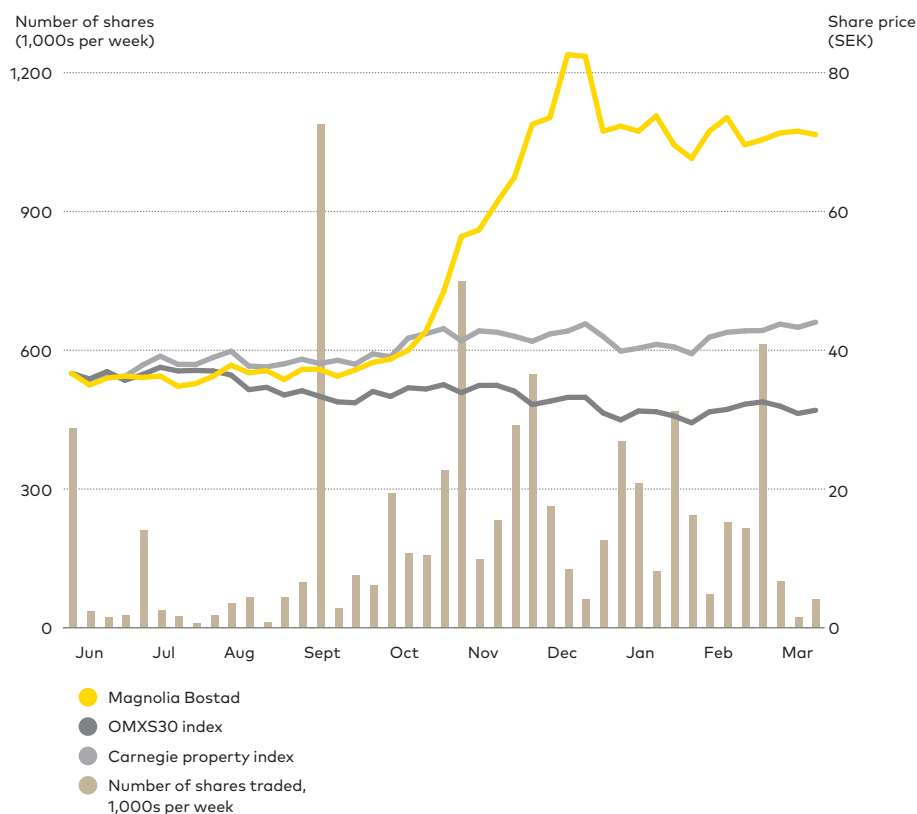
The share price at closing on March 31, 2016, was SEK 72.50. On average, 66 transactions were conducted per trading day between January 1, 2016 and March 31, 2016, and the average trading volume per trading day was SEK 3.7 million.

Since January 2016 Magnolia Bostad has been included in Nasdaq First North's index, First North 25, which consists of the 25 largest and most traded shares on Nasdaq First North.

Long-term dividend policy

The dividend policy shall be based on that which at any time is considered to promote the overall goal of optimizing the total return for the shareholders. The Board of Directors has made the assessment that a dividend up to a maximum of 25 percent of the company's profit after tax will be proposed over the next two years and thereafter up to an increasing percentage.

Turnover (number of shares in thousands per week) and price development (SEK) of the Magnolia Bostad share since its introduction on Nasdaq First North on June 9



Average number of outstanding shares

	2016		2015	
	Q1	Full year	Q1	Full year
Average number of outstanding shares	37,822,283	37,822,283	31,288,942	35,100,058

Owners

Ownership as at March 31, 2016

Number of shares	Number of shareholders	Shareholder category	Number	Share of votes	Shareholders per country	Number	Share of votes
1-500	582	Legal persons	157	90.80%	Sweden	994	93.95%
501-1,000	136				Other Nordic countries	11	0.28%
1,001-5,000	203	Private individuals, men	668	7.38%	Other European countries (excl. Sweden and the Nordic countries)	45	4.91%
5,001-10,000	48	Private individuals, women	233	1.81%			
10,001-15,000	19				USA	2	0.17%
15,001-20,000	15				Other world	6	0.69%
20,001-	55						
Total	1,058	Total	1,058	100%	Total	1,058	100%
		of which living in Sweden	994	93.95%			

Largest shareholders as at March 31, 2016

Shareholders	Number of shares	Share capital	Percentage of Votes
F.Holmström Fastigheter AB	21,286,837	56.28%	56.28%
Danica Pension	3,151,116	8.33%	8.33%
Nordnet Pensionsförsäkring AB	2,276,131	6.02%	6.02%
Svolder Aktiebolag	1,086,000	2.87%	2.87%
Swedbank Robur Fonder	1,085,075	2.87%	2.87%
Länsförsäkringar fondförvaltning AB	1,031,038	2.73%	2.73%
Dahlin, Martin	938,668	2.48%	2.48%
Försäkringsaktiebolaget, Avanza Pension	425,522	1.13%	1.13%
Cliens Sverige Mixfond	373,264	0.99%	0.99%
Cliens Sverige	357,528	0.95%	0.95%
Total 10 largest shareholders	32,011,179	84.65%	84.65%
Other shareholders	5,811,104	15.35%	15.35%
Total	37,822,283	100.00%	100.00%



Södra Ladugårdsängen Örebro

The municipality is planning a new neighborhood, Södra Ladugårdsängen, two kilometers from Örebro Centrum. Magnolia Bostad is developing here 175 apartments, and occupancy is planned for 2018.

The area is close to Örebro University, outdoor areas, a golf course, a racket center, a pool, a gym and a nature reserve.

Project facts

Location: Örebro
Type of ownership: Rental
Number of apartments: 175
Architect: C.F Møller
Planned occupancy: 2018

Consolidated Income Statement

SEK thousand	2016 Jan–March	2015 Jan–March	2015 Jan–Dec
Operating income			
Net sales	209,824	19,363	875,722
Total income	209,824	19,363	875,722
Operating expenses			
Production and operating costs	-106,076	-12,962	-648,576
Central administration	-4,177	-4,026	-12,992
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	-480	-8,365	-9,513
Profit/loss from participations in associated companies	396	-528	-120
Revaluation during transfer from associated company to subsidiary	-	152,592	152,592
Operating profit/loss	99,487	146,074	357,113
Profit/loss from financial items			
Interest income and similar profit/loss items	501	914	2,580
Interest expenses and similar profit/loss items	-14,181	-8,281	-52,409
Profit/loss before tax	85,807	138,708	307,284
Tax on profit/loss for the year	-	-	-564
NET PROFIT/LOSS FOR THE PERIOD	85,807	138,708	306,720
Attributable to:			
Parent Company shareholders	76,043	138,708	287,606
Minority interest	9,764	-	19,114

Consolidated Balance Sheet

SEK thousand	2016 March 31	2015 March 31	2015 Dec 31
ASSETS			
Non-current assets			
<i>Intangible assets</i>			
Goodwill	4,446	5,646	4,746
Other intangible assets	654	258	746
Total intangible assets	5,100	5,904	5,492
<i>Property, plant and equipment</i>			
Equipment, tools, fixtures and fittings	692	284	439
Total property, plant and equipment	692	284	439
<i>Financial assets</i>			
Participations in associated companies	2,296	1,152	1,900
Receivables from associated companies	23,541	23,541	23,541
Other securities held as non-current assets	30,614	30,614	30,614
Other long-term receivables	288,913	10,623	278,945
Total financial assets	345,364	65,929	335,000
Total non-current assets	351,156	72,117	340,931
Current assets			
Development and project properties	1,177,708	1,046,222	1,138,835
Tenant-owned apartments	3,800	9,092	3,800
Accounts receivable	17,607	605	3,785
Receivables from associated companies	6,868	3,424	301
Other receivables	321,506	117,752	204,121
Prepaid expenses and accrued income	2,121	982	1,981
Cash and bank balances	170,384	67,041	193,358
Total current assets	1,699,993	1,245,118	1,546,181
TOTAL ASSETS	2,051,148	1,317,235	1,887,111

Consolidated Balance Sheet

SEK thousand	2016 March 31	2015 March 31	2015 Dec 31
EQUITY AND LIABILITIES			
Equity			
Share capital	151,289	125,156	151,289
Profit/loss carried forward	525,908	90,192	238,303
Net profit/loss for the period	76,043	138,708	287,605
Equity attributable to Parent Company shareholders	753,240	354,056	677,197
Minority's share of equity	102,733	73,149	92,969
Total equity	855,973	427,205	770,166
Provisions			
Provision for deferred taxes	2,095	169	2,095
Other provisions	–	55,661	–
Total provisions	2,095	55,830	2,095
Liabilities			
<i>Long-term liabilities</i>			
Interest-bearing liabilities	731,098	775,509	730,659
Other long-term liabilities	95,826	100	110,056
Total long-term liabilities	826,924	775,609	840,715
<i>Current liabilities</i>			
Liabilities to credit institutions	130,250	–	130,250
Accounts payable	37,736	11,861	13,887
Income tax liabilities	2,369	779	3,535
Other current liabilities	113,762	27,689	76,507
Accrued expenses and deferred income	82,039	18,262	49,955
Total current liabilities	366,156	58,590	274,134
Total liabilities	1,193,080	834,199	1,114,849
TOTAL EQUITY AND LIABILITIES	2,051,148	1,317,235	1,887,111

Consolidated Cash Flow Statement

SEK thousand	2016 Jan–March	2015 Jan–March	2015 Jan–Dec
Operating activities			
Profit/loss after financial items	85,807	138,708	307,284
Adjustments for non-cash items, etc.	-116,593	-142,775	-398,257
	-30,786	-4,067	-90,973
Taxes paid	-1,166	-510	812
Cash flow from operating activities before changes in working capital	-31,952	-4,577	-90,161
Cash flow from changes in working capital			
Reduction (+)/increase (-) of development and project properties	-38,873	-31,040	-143,811
Decrease(+)/increase(-) in current receivables	-32,397	68,139	104,402
Decrease(+)/increase(-) in current liabilities	81,188	-1,653	-19,975
Cash flow from operating activities	-22,034	30,869	-149,545
Investing activities			
Acquisition of intangible fixed assets	-8	-	-607
Acquisition of property, plant and equipment	-	-142	-523
Shareholder contributions made	-	-	-200
Sale of property, plant and equipment	-333	2	2
Investment in financial assets	-	-4,031	-5,235
Disposal/reduction of financial assets	-	3,000	6,775
Cash flow from investing activities	-341	-1,171	212
Financing activities			
New share issue	-	-	180,502
Shareholders' contributions received	-	-	-
Borrowings	-	-	471,350
Repayment of borrowings	-599	-55	-340,302
Paid dividends	-	-	-6,258
Cash flow from financing activities	-599	-55	305,292
Cash flow for the period	-22,974	29,643	155,959
Cash and cash equivalents at the beginning of the period	193,358	37,399	37,399
Cash and cash equivalents at the end of the period	170,384	67,041	193,358

Changes in Equity, Group

Group, SEK thousand	Share capital	Equity method reserve	Profit/loss carried forward	Net profit/loss for the year	Total equity, principal owner	Minority interest	Total equity
Amount at beginning of year 1/1/2015	125,156	38,068	60,997	29,196	253,416		253,416
Profit/loss from the previous year carried forward			29,196	-29,196	0		0
Redistribution during transfer from associated company to subsidiary		-38,068			-38,068		-38,068
New share issue	26,133		167,365		193,498		193,498
Issue expenses			-12,996		-12,996		-12,996
Acquisition of subsidiaries					0	73,854	73,854
Dividends			-6,258		-6,258		-6,258
Net profit/loss for the year				287,605	287,605	19,115	306,720
Amount at end of year 12/31/2015	151,289	-	238,303	287,605	677,197	92,969	770,166

Group, SEK thousand	Share capital	Equity method reserve	Profit/loss carried forward	Net profit/loss for the year	Total equity, principal owner	Minority interest	Total equity
Amount at beginning of year 1/1/2016	151,289	-	238,303	287,605	677,197	92,969	770,166
Profit/loss from the previous year carried forward			287,605	-287,605	0		0
Net profit/loss for the period				76,043	76,043	9,764	85,807
Amount at end of the period 3/31/2016	151,289	-	525,908	76,043	753,240	102,733	855,973

Parent Company Income Statement

SEK thousand	2016 Jan–March	2015 Jan–March	2015 Jan–Dec
Operating income			
Net sales	–	–	4,113
Total income	–	–	4,113
Operating expenses			
Other external costs	–1,585	–24	–2,625
Central administration	–660	–432	–2,432
Operating profit/loss	–2,245	–456	–944
Profit/loss from financial items			
Interest income and similar profit/loss items	4,654	4,650	18,582
Interest expenses and similar profit/loss items	–5,098	–5,229	–20,821
Profit/loss before tax	–2,689	–1,035	–3,183
NET PROFIT/LOSS FOR THE PERIOD	–2,689	–1,035	–3,183

Parent Company Balance Sheet

SEK thousand	2016 March 31	2015 March 31	2015 Dec 31
ASSETS			
Non-current assets			
<i>Financial assets</i>			
Participations in Group companies	88,822	88,822	88,822
Receivables from Group companies	234,026	234,016	234,026
Participations in associated companies	2,050	1,850	2,050
Receivables from associated companies	26,942	27,241	26,941
Total financial assets	351,840	351,929	351,839
Total non-current assets	351,840	351,929	351,839
Current assets			
Development and project properties	–	3,823	–
Accounts receivable	–	3	–
Receivables from Group companies	181,399	15,315	159,307
Receivables from associated companies	315	312	265
Other receivables	2,060	2	21,228
Prepaid expenses and accrued income	353	23	193
Cash and bank balances	10,024	1,720	11,137
Total current assets	194,152	21,199	192,129
TOTAL ASSETS	545,992	373,128	543,968

Parent Company Balance Sheet

SEK thousand	2016 March 31	2015 March 31	2015 Dec 31
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital	151,289	125,156	151,289
	151,289	125,156	151,289
<i>Non-restricted equity</i>			
Profit/loss carried forward	153,003	8,074	156,185
Net profit/loss for the period	-2,689	-1,035	-3,182
	150,314	7,039	153,003
Total equity	301,603	132,195	304,292
Liabilities			
<i>Long-term liabilities</i>			
Interest-bearing liabilities	222,828	220,571	222,326
Total long-term liabilities	222,828	220,571	222,326
<i>Current liabilities</i>			
Accounts payable	111	16	-
Liabilities to Group companies	3,868	3,948	3,882
Other current liabilities	12,000	12,051	12,000
Accrued expenses and deferred income	5,581	4,347	1,468
Total current liabilities	21,560	20,362	17,350
Total liabilities	244,388	240,934	239,676
TOTAL EQUITY AND LIABILITIES	545,992	373,128	543,968

Changes in Equity, Parent Company

Parent Company, SEK thousand	Share capital	Profit/loss carried forward	Net profit/loss for the year	Total equity
Amount at beginning of year 1/1/2015	125,156	10,724	-2,650	133,230
Profit/loss from the previous year carried forward		-2,650	2,650	0
New share issue	26,133	167,366		193,499
Issue expenses		-12,996		-12,996
Dividends		-6,258		-6,258
Net profit/loss for the year			-3,182	-3,182
Amount at end of year 12/31/2015	151,289	156,185	-3,182	304,292

The outstanding number of basic shares at 12/31/2015 amounts to 37,822,283.

The outstanding number of shares after full dilution at 12/31/2015 amounts to 37,982,283 (160,000 warrants are held by the Magnolia Bostad Group).

Parent Company, SEK thousand	Share capital	Profit/loss carried forward	Net profit/loss for the year	Total equity
Amount at beginning of year 1/1/2016	151,289	156,185	-3,182	304,292
Profit/loss from the previous year carried forward		-3,182	3,182	0
Net profit/loss for the period			-2,689	-2,689
Amount at end of the period 3/31/2016	151,289	153,003	-2,689	301,603

The outstanding number of basic shares at 3/31/2016 amounts to 37,822,283.

The outstanding number of shares after full dilution at 3/31/2016 amounts to 37,982,283 (160,000 warrants are held by the Magnolia Bostad Group).

Magnolia Bostad in brief

Magnolia Bostad develops efficient, attractive and functional residential properties, including rental apartments, tenant-owned apartments and hotels, in attractive locations primarily in Sweden's growth areas. Our work is based on a holistic approach where the operations are conducted in a manner that promotes long-term, sustainable urban development.

Magnolia Bostad's share (MAG) is listed on Nasdaq First North. Erik Penser Bank is the Certified Adviser for the Company. More information is available at www.magnoliabostad.se

Financial Calendar

- Interim Report January-June: August 23, 2016
- Interim Report January-September: November 22, 2016
- Year-End Report: February 24, 2017

Contact

Fredrik Lidjan
CEO
fredrik.lidjan@magnoliabostad.se
+46 (0)70 223 43 47

Erik Rune
CFO
erik.rune@magnoliabostad.se
+46 (0)73 399 40 30

Press releases

Q1

01/21/16 Magnolia Bostad annuls contracts concerning the Huvudkontoret project in Uppsala

02/19/16 Magnolia Bostad starts production of the M6 project in Stockholm

02/26/16 Year-end Report 2015

03/15/16 Magnolia Bostad expands in Stockholm and Helsingborg

03/15/16 Magnolia Bostad signs cooperation agreement with Västerkulla Hotell

03/22/16 Magnolia Bostad signs letter of intent with Helsingborg Municipality

03/23/16 Magnolia Bostad signs agreement with Helsingborg Municipality and sells 345 rental apartments to SPP Fastigheter

03/29/16 Magnolia Bostad enters land allotment agreement concerning 600 homes in Sundsvall

03/30/16 Magnolia Bostad divests project in Åre

MAGNOLIA

Magnolia Bostad AB
Grev Turegatan 11 A
Box 5853, 102 40 Stockholm
Telephone +46 8 470 50 80
magnoliabostad.se