

Magnolia Bostad reports 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.

– The first months of 2016 were characterized by strong sales and intensive business activity, says Fredrik Lidjan, CEO of Magnolia Bostad. I am also pleased to announce that we have successfully conducted a bond issue of SEK 600 million.

The first quarter in brief:

- Operating profit/loss: SEK 99.5 (146.1) million
- Profit/loss after tax: SEK 85.8 (138.7) million
- Earnings per share: SEK 2.01 (4.43)

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 Kanikenäsholmen 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.

The full report is available at: www.magnoliabostad.se/investorrelations/

For more information, please contact:

Fredrik Lidjan, CEO
+46 70 223 43 47, fredrik.lidjan@magnoliabostad.se

Erik Rune, CFO
+46 73 399 40 30, erik.rune@magnoliabostad.se

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