

MAGNOLIA

Magnolia Bostad
Year-End Report
Group
January–December
2015

Q4

October–December 2015

The quarter in brief

Net sales: SEK 397.0 million (128.1)
 Operating profit:
 SEK 95.7 million (52.2)
 Profit after tax:
 SEK 79.0 million (45.0)
 Earnings per share: SEK 1.77 (1.46)
 Equity (December 31):
 SEK 770.2 million (253.4)
 Equity per share: SEK 17.9 (8.10)
 The Board of Directors proposes a dividend for 2015 of SEK 1.00 (0.20) per share.

Significant events during the quarter

- Magnolia Bostad's share was qualified for Nasdaq First North's index, First North 25.
- Magnolia Bostad enters into a land allocation agreement with Knivsta Municipality for 200 apartments in central Knivsta.
- Magnolia Bostad wins land competitions in Helsingborg and Norrtälje. These competitions refer to an additional allocation of over 300 rental apartments covering two blocks in Mariastaden, Helsingborg and around 200 apartments in the future

Lommarstranden neighborhood in Norrtälje Municipality.

- Magnolia Bostad starts sales for the Kanikenäsholmen project, which consists of 92 tenant-owned apartments in Kvarteret Varvet, Karlstad.
- Magnolia Bostad acquires around 280 building rights from NCC Boende AB in Limhamn in Malmö. The company also signs an agreement with SPP Fastigheter AB for the sale of all of the rental apartments that will be developed on the properties. The total property value upon completion totals approximately SEK 500 million.
- Magnolia Bostad enters into a letter of intent with Alecia for the sale of more than 2,000 rental apartments spread across six projects over the next two years.
- Magnolia Bostad acquires land in Nyby, Uppsala, where the company plans to build approximately 400 apartments. The company also signs an agreement for the sale of 325 of these apartments to SEB's residential housing fund, Domestica II. These apartments will be rental units.

- Magnolia Bostad acquires land from Skanska Sweden in downtown Helsingborg where the company plans to build 327 rental apartments. The company also signs a contract for the sale of the apartments to Alecia. The total property value upon completion totals around SEK 550 million.
- Magnolia Bostad signs a declaration of intent with a Swedish institution for the sale of approximately 450 rental apartments that will be built as part of the Uppsala Kungsängen 25:1 property. The property value at completion totals approximately SEK 1 billion.

Significant events after the quarter

- Magnolia Bostad terminates agreements regarding 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. In the fourth quarter, Magnolia Bostad makes a provision of SEK 32.7 million for expense risks related to the termination.

Key ratios – Group

SEK million	2015 Oct-Dec	2014 Oct-Dec	2015 Jan-Dec	2014 Jan-Dec
Sales	397.0	128.1	875.7	140.5
Operating profit/loss	95.7	52.2	357.1	47.3
Operating margin (%)	24.1	40.7	40.8	33.7
Profit/loss after financial items	79.3	45.7	307.3	29.8
Net profit/loss for the year	79.0	45.0	306.7	29.2
Cash flow from operating activities	-50.4	-86.1	-149.5	-229.1
Return on equity (%)	11.0 ¹⁾	13.4	42.5 ¹⁾	13.4
Equity/assets ratio (%)	40.8	32.0	40.8	32.0
Earnings per share (SEK)	1.77 ¹⁾	1.46	7.60 ¹⁾	0.95
Number of basic outstanding shares	37,822,283	31,288,942	37,822,283	31,288,942
Number of outstanding shares after full dilution	37,982,283 ²⁾	33,288,942	37,982,283 ²⁾	33,288,942 ²⁾
Return on capital employed (%)	7.8	9.1	28.7	9.1
Return on total equity (%)	7.3	8.7	26.8	8.7
Interest coverage ratio (multiple)	5.3	7.6	6.9	2.4
Equity per share (SEK)	17.90 ¹⁾	8.10	17.90 ¹⁾	8.10

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

A successful year for Magnolia Bostad

Magnolia Bostad had a very successful year in 2015. We posted strong growth in our project portfolio, conducted business with both established and new partners, completed an IPO of the company's shares and strengthened our organization. The Company is reporting an operating profit of SEK 95.7 million (52.2) for the fourth quarter and SEK 357.1 million (47.3) for the full year 2015.

Doubled project portfolio

Over the past year, Magnolia Bostad's project portfolio more or less doubled to more than 7,400 apartments. We have been allocated land, for example, in Norrtälje, Bålsta, Knivsta and Helsingborg, which contributed to the sharp growth in the project portfolio. This also demonstrates the good cooperation with the country's growth municipalities.

We sold eight projects during the year, totaling just over 1,600 apartments, of which approximately 1,400 were rental apartments and some 200 were tenant-owned apartments.

Cooperation with Swedish institutions

The first transaction of the year was completed in June with Alecta, for 287 rental apartments in Mariastaden, Helsingborg. As confirmation of Alecta's and Magnolia Bostad's intention to establish a long-term cooperation, we signed a declaration of intent in October to sell six projects to Alecta over the next two years totaling 2,000 rental apartments. The first of these six transactions regards 327 rental apartments in downtown Helsingborg that were sold to Alecta in December.

This fall the company completed its first transaction with Slättö, the sale of 216 rental apartments in Karlstad. We also established a new cooperation with SPP Fastigheter through the sale of 280 rental apartments in Limhamn. We continued our cooperation with SEB by completing our third transaction

with them, the sale of 325 rental apartments in Nyby, Uppsala.

Successful IPO

On June 9, 2015, trading of the Magnolia Bostad share commenced on Nasdaq First North. The flotation was successful, as evidenced by the fact that the share qualified for Nasdaq First North's index, First North 25, which consists of the list's largest and most traded shares.

Strengthened organization

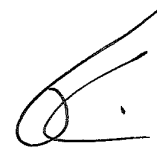
During the year we strengthened our organization, both in Stockholm and in the regional office we established in Helsingborg in September. We currently are the largest developer of rental apartments in Helsingborg and we are growing stronger in the rest of southern Sweden as well as in other Swedish markets.

Continued growth

In addition to the projects in our existing portfolio, we are also working on a number of new possibilities which we hope to finalize during the year.

In other words, we have good reason to expect continued expansion and an increased net income during 2016. I would like to thank all of the company's employees for their work and commitment during the past year and I look forward to an exciting year 2016.

Stockholm, February 2016



Fredrik Lidjan
CEO



Magnolia Bostad's CEO Fredrik Lidjan.

Market

Market trends

Of Sweden's 290 municipalities, 183 reported that they are currently experiencing a housing shortage across the municipality as a whole, according to a survey conducted by the National Board of Housing, Building and Planning in 2015. The corresponding number two years ago was 126 municipalities. There is mainly a shortage of inexpensive, small rental apartments, which primarily affects groups such as young adults, students and new arrivals.

The construction of residential projects has accelerated significantly over the past two years in Sweden, and production is currently believed to be at around 45,000 to 50,000 residential units per year during the years 2015 – 2016. However, these levels are low taking into consideration population growth and the current, existing 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 fourth quarter was marked by a strong demand for residential properties, which represented 29 percent of the total transaction volume. The transaction volume in

the fourth quarter was more than SEK 43 billion, compared to the third quarter, which was at just over SEK 37 billion.

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

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

Rental apartments

According to the IPD Svenskt Bostadsindex, the total return for residential properties in 2015 amounted to 14.7 percent, of which capital gain constituted 10.5 to 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 1.75 percent, 2.10 percent and 2.95 percent, respectively.

Tenant-owned apartments

The housing markets in the metropolitan areas have been very strong the past two years. However, during the fourth quarter, real estate agents noted a clear slow-down. Demand, bids and final prices increased at a slower rate than they have for several quarters and the time-to-sale is more stable than before, according to SBAB's Mäklarbarometer.

In terms of Sweden as a whole, tenant-owned apartment prices increased by 1 per cent during the fourth quarter, according to Mäklarstatistik. In the greater Stockholm region, housing prices increased by 2 per cent during the quarter, while prices fell by 1 per cent in the greater Gothenburg region and 2 per cent in the greater Malmö region. According to SBAB's Mäklarbarometer, the real estate agents in the metropolitan areas are carefully optimistic about the first quarter of 2016 despite the slow-down at the end of 2015.



Kanikenäsholmen Karlstad

At Karlstad's old shipyards at Kanikenäsholmen, Magnolia Bostad is planning to build a new residential area close to the water that consists of a total of 300 rental and tenant-owned apartments.

The rental apartments have been sold to Slättö. Sales began in December for the 92 tenant-owned apartments in Kvarteret Varvet.



Project facts

Location: Karlstad

Type of ownership: Rental apartments and tenant-owned apartments

Number of apartments: Around 300

Architect: Radar Arkitektur & Planering

Occupancy: 2017–2018

Magnolia Bostad Project Portfolio

The table below shows ongoing and future projects, sold projects in production and projects 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 construction start	Estimated occupancy
ONGOING AND FUTURE PROJECTS									
Åby Ängar ¹⁾	Vallentuna-Åby 1:94	Vallentuna	R	150	8,100	-	CD	2016	2018
Kanikenäsholmen ¹⁾	Varvet 4 & Part of Varvet 2	Karlstad	TO	100	8,700	6,800	S	2016	2018
Senapsfabriken ²⁾	Kungsängen 25:1, blocks 2 & 3	Uppsala	R	1,150	66,000	-	CD	2016	2018-2019
Åby Ängar ¹⁾	Vallentuna-Åby 1:149	Vallentuna	R	150	8,100	-	CD	2016	2018
Södra Ladugårdsängen ¹⁾	Part of Nikolai 3:65	Örebro	R	175	10,000	-	CD	2016	2018
Maria Station ¹⁾	Arkeologen 1 and Antikvarien 1	Helsingborg	R	325	20,000	-	CD	2016	2018
Bålsta centrum ¹⁾	Part of Våppeby 7:7	Bålsta	R/TO	440	31,800	-	P	2017	2019
Lilium ¹⁾	Part of Gamla Uppsala 99:1	Uppsala	TO	70	3,700	-	CD	2017	2018
Östra Sala Backe ¹⁾	Östra Sala Backe, E2, block 5	Uppsala	R	110	6,700	-	CD	2017	2018
Norrbacka ¹⁾	Sigtuna Norrbacka 1:32-36	Sigtuna	R	180	15,000	-	P	2017	2019
Orminge centrum ¹⁾	Orminge 52:1	Nacka	R	400	35,000	-	P	2017	2019
Ängby ¹⁾	Ängby 1:1	Knivsta	R/TO	200	18,000	-	P	2017	2019
Arlöv ¹⁾	Burlöv Arlöv 20:58 and others	Burlöv	R	250	16,500	-	P	2017	2019
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	-	P	2018	2019-2020
Oceanhamnen ¹⁾	Part of Gamla Staden 1:1, etc.	Helsingborg	R	110	8,500	-	CD	2018	2020
Lommarstranden ¹⁾		Norrköping	R	200	15,000	-	P	2018	2020
Skogskarlen 3	Skogskarlen 3	Solna	TO	130	8,000	-	P	2018	2020
Stora Råby ¹⁾	Stora Råby 33:2 and others	Lund	R	330	23,800	-	P	2018	2020
Instrumentet 2	Instrumentet 2	Stockholm	TO	100	6,100	-	P	2019	2020
Total				4,720	331,500				
SOLD PROJECTS UNDER PRODUCTION									
Traversen 18	Traversen 18	Sollentuna	R	230	16,800	13,200	C	2014	2015-2016
Valsta Torg ¹⁾	Sigtuna Valsta 3:190	Sigtuna	TO	42	1,960 ⁴⁾	1,960	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
M6	Muttern 6	Stockholm	TO	55	2,900 ⁴⁾	2,900	C	2015	2016
Lumen	Trapphuset 1	Sollentuna	TO	90	6,600	4,750	C	2016	2017
Kanikenäsholmen ¹⁾	Part of Varvet 2	Karlstad	R	216	15,700	12,300	C	2016	2017-2018
Mariastaden ¹⁾	Slagan 1	Helsingborg	R	287	14,700	12,500	C	2016	2017-2018
Nyby ¹⁾	Part of Gamla Uppsala 99:1	Uppsala	R	325	19,500	15,200	C	2016	2017-2018
Limhamn ¹⁾	Limhamn 151:467 & 151:470	Malmö	R	280	15,900	12,100	C	2016	2018
Block Norrland ¹⁾	Norrland 11	Helsingborg	R	327	19,000	14,700	C	2016	2018-2019
Total				2,253	144,860	114,010			
PROJECTS BEING SOLD									
Lake View	Svedje 1:307, etc.	Åre	COND	14	1,300				
Senapsfabriken ^{2) 5)}	Kungsängen 25:1, block 1	Uppsala	TO	400	29,000				
Kopplingsboxen 26	Kopplingsboxen 26	Stockholm	TO	20	1,130				
Total				434	31,430				
Total ongoing projects, sold projects in production and projects being sold				7,407	507,790				

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%.

⁴⁾ Living area.

⁵⁾ 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

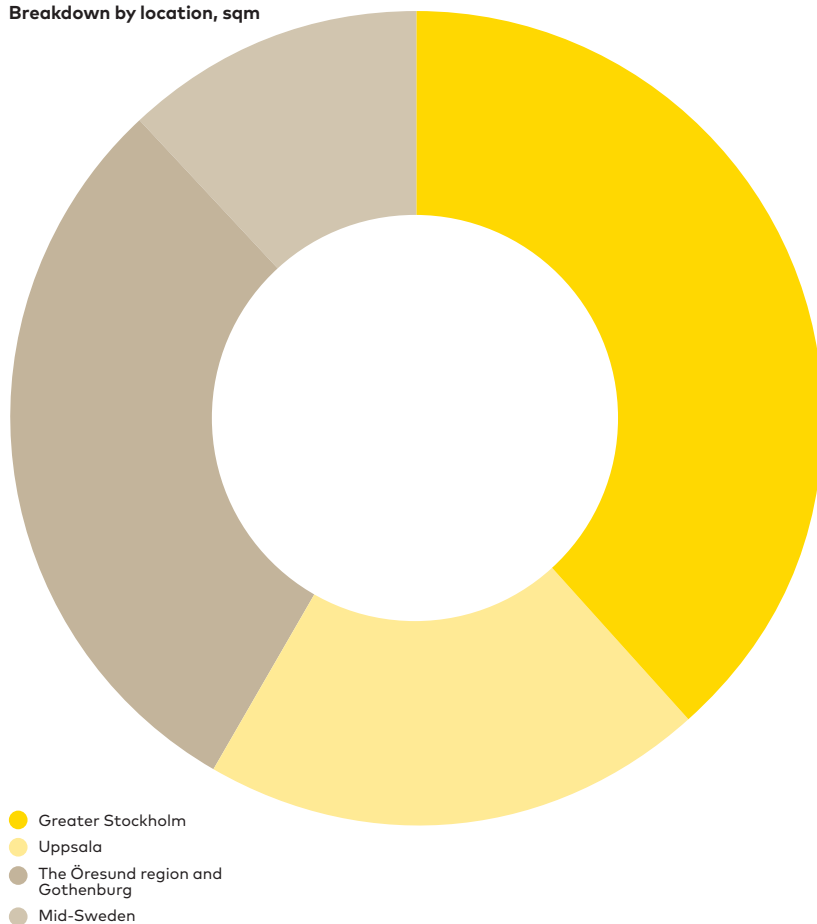
Phase: P=Planning work, CD=Concept development, S=Sales, C=Construction

Living area: Only given for projects in the Sales and Construction phases

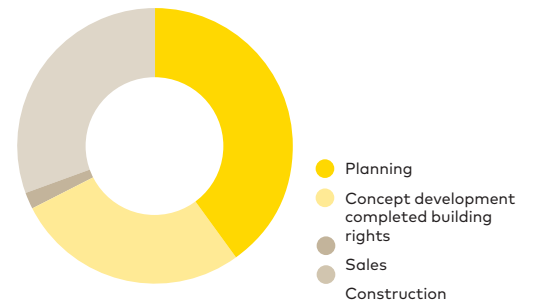
Magnolia Bostad Project Portfolio in diagrams

Ongoing and future projects and sold projects in production

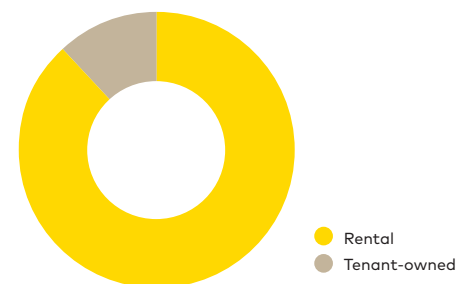
Breakdown by location, sqm



Breakdown by project phase, sqm



Breakdown by type of ownership, sqm





Nyby Uppsala

Magnolia Bostad acquired in December 2015 land in Nyby, Uppsala. The plan is to build 325 rental apartments and around 70 tenant-owned apartments here.

In conjunction with the acquisition of land, Magnolia Bostad signed an agreement for the sale of the 325 rental apartments to SEB's residential housing fund, Domestica II. Sales will start for the tenant-owned apartments in 2016.

Project facts

Location: Uppsala
Type of ownership: Rental apartments and tenant-owned apartments
Number of apartments: Around 400
Architect: C.F. Møller
Occupancy: 2017–2018

Financial performance

Profit/loss for Q4 2015

Net sales for Q4 2015 totaled SEK 397.0 million (128.1). The company reported an operating profit of SEK 95.7 million (52.2). The sales of rental apartments in Limhamn, Uppsala and Helsingborg had a positive impact on sales and the operating profit. Magnolia Bostad has made a provision of SEK 32.7 million for expense risks related to the termination of agreements regarding the Huvudkontoret projekt.

Net financial items were SEK -16.4 million (-6.5). 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 79.3 million (45.7).

Balance sheet as at December 31 2015

The balance sheet total at the end of Q4 2015 was SEK 1,887.1 million (792.4), which is an increase of SEK 1,094.7 million compared to 2014. This increase is primarily due to the acquisition of the majority in the Kungsängen 25:1 property, the new share issue conducted in conjunction with the IPO of the company's shares on NASDAQ First North in June and the acquisition of the Nacka Orminge 52:1 property. Equity attributable to the Parent Company's shareholders amounted to SEK 677.2 million (253.4) during Q4 2015. The minority share of equity was 93.0 (0.0). The equity/assets ratio increased to 40.8 percent (32.0).

Cash flow and financing

The Group's available liquidity at the end of the period was SEK 193.4 million (37.4). Cash flow from operating activities in Q4 totaled SEK -50.4 million (-86.1). During the quarter, cash flow from investing activities totaled SEK 0 million (-1.1). Financing activities amounted to SEK 109.1 million (37.7). The total interest-bearing borrowings amounted to SEK 860.9 million (494.4) on December 31.

Accounting and measurement principles

The Swedish Annual Accounts Act and the Swedish Accounting Standards Board's general guideline, BFNAR 2012:1 (K3), apply as of 2014. The accounting and measurement principles are in agreement with those applied in the 2014 Annual Report and which are reported there in the notes on pages 66-67. Key ratio definitions agree with those applied in the 2014 Annual Report and can be found there on page 80, with the exception of the definitions of the equity/assets ratio and return on equity, which have been adjusted due to the introduction of the minority's share of equity.

Equity/assets ratio

Equity including the minority's share of equity less deferred tax as a percentage of the balance sheet total.

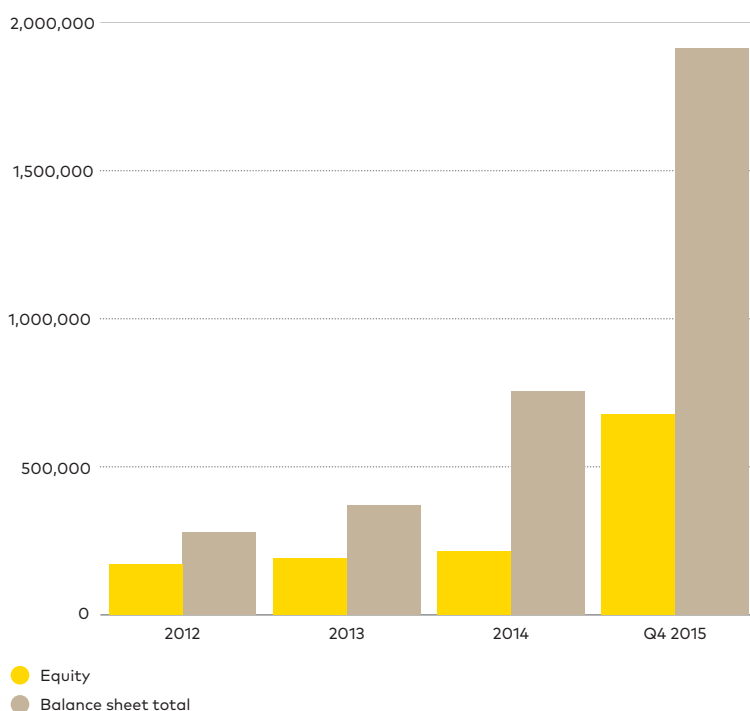
Return on equity

The Parent Company's share of profit/loss for the period as a percent of the opening balance of equity excluding the minority.

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 December 31, 2015 there were 998 (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 December 31, 2015, was SEK 84.00.

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.

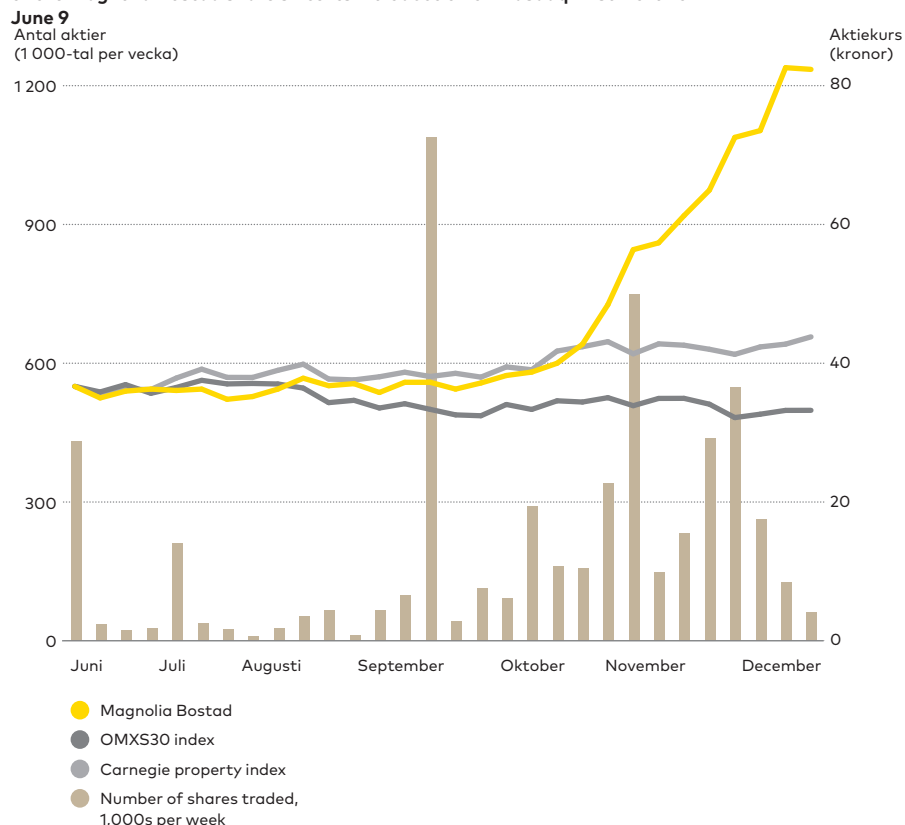
Long-term dividend policy

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 the dividend will be proposed up to a maximum of 25 percent of the company's profit after tax over the next two years and thereafter up to an increasing percentage.

Dividend proposal

The Board of Directors proposes a dividend for 2015 of SEK 1.00 (0.20) per share.

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



Owners

Ownership as at December 31, 2015

Number of shares	Number of shareholders	Shareholder category	Number	Share of votes	Shareholders per country	Number	Share of votes
1–500	547	Legal persons	156	90.94	Sweden	939	94.09%
501–1,000	105	Private individuals, men	643	7.32%	Other Nordic countries	11	1.10%
1,001–2,000	92				Other European countries (excl. Sweden and the Nordic countries)	41	4.11%
2,001–5,000	103	Private individuals, women	199	1.74%	USA	2	0.20%
5,001–10,000	53	Total	998	100%	Other world	5	0.50%
10,001–50,000	62				Total	998	100%
50,001–	36	of which living in Sweden	939	91.60%			
Total	998						

Largest shareholders as at December 31, 2015

Shareholders	Number of shares	Percentage of Share capital	Votes
F.Holmström Fastigheter AB	21,286,837	56.28%	56.28%
Danica Pension	3,222,689	8.52%	8.52%
Nordnet Pensionsförsäkring AB	2,926,967	7.74%	7.74%
Swedbank Robur Småbolagsfond Sverige	1,085,075	2.87%	2.87%
Svolder AB	950,000	2.51%	2.51%
Dahlin, Martin	938,668	2.48%	2.48%
Stockheat AB	386,895	1.02%	1.02%
Humle Småbolagsfond	374,718	0.99%	0.99%
Clients Allokering Sverige	373,264	0.99%	0.99%
Clients Absolut Aktier Sverige	357,528	0.95%	0.95%
Total 20 largest shareholders	31,902,641	84.35%	84.35%
Other shareholders	5,919,642	15.65%	15.65%
Total	37,822,283	100%	100%



Senapsfabriken Uppsala

On Kungsgatan in downtown Uppsala there is a large development area called Senapsfabriken. Magnolia Bostad will develop approximately 1,150 space-efficient rental apartments here.

The future apartments will be located only a few minutes' walk from Uppsala's newly constructed travel hub and a stone's throw from Fyrisån.

Project facts

Location: Uppsala
Type of ownership: Rental
Number of apartments:
Around 1,150
Architect: BSK Arkitekter
Occupancy: 2018–2019

Consolidated income statement

SEK thousand	2015 Oct–Dec	2014 Oct–Dec	2015 Jan–Dec	2014 Jan–Dec
Operating income				
Net sales	396,966	128,108	875,722	140,541
Total income	396,966	128,108	875,722	140,541
Operating expenses				
Production and operating costs	–263,817	–71,679	–581,914	–75,420
Other external costs	–36,193	–3,962	–48,426	–9,679
Personnel costs	–3,315	1,215	–12,992	–5,560
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	–444	–374	–9,513	–1,399
Profit/loss from participations in associated companies	553	–1,152	–120	–1,152
Other operating expenses	1,949	–	–18,236	–
Revaluation during transfer from associated company to subsidiary	–	–	152,592	–
Operating profit/loss	95,698	52,157	357,113	47,332
Profit/loss from financial items				
Interest income and similar profit/loss items	1,861	375	2,580	3,412
Interest expenses and similar profit/loss items	–18,273	–6,874	–52,409	–20,940
Profit/loss before tax	79,286	45,658	307,284	29,804
Tax on profit/loss for the year	–248	–608	–564	–608
NET PROFIT/LOSS FOR THE YEAR	79,038	45,050	306,720	29,196
Attributable to:				
Parent Company shareholders	67,123	45,050	287,606	29,196
Minority interest	11,915	–	19,114	–

Consolidated balance sheet

SEK thousand	2015 Dec 31	2014 Dec 31
ASSETS		
Non-current assets		
<i>Intangible assets</i>		
Goodwill	4,746	5,946
Other intangible assets	746	8,304
Total intangible assets	5,492	14,249
<i>Property, plant and equipment</i>		
Equipment, tools, fixtures and fittings	439	199
Total property, plant and equipment	439	199
<i>Financial assets</i>		
Participations in associated companies	1,900	39,832
Receivables from associated companies	23,541	23,541
Other securities held as non-current assets	30,614	30,614
Other long-term receivables	278,945	15,109
Total financial assets	335,000	109,096
Total non-current assets	340,931	123,544
Current assets		
Development and project properties	1,138,835	424,231
Tenant-owned apartments	3,800	9,092
Accounts receivable	3,785	1,057
Receivables from associated companies	301	9,598
Other receivables	204,121	186,952
Prepaid expenses and accrued income	1,981	517
Cash and bank balances	193,358	37,399
Total current assets	1,546,181	668,845
TOTAL ASSETS	1,887,111	792,389

Consolidated balance sheet

SEK thousand	2015 Dec 31	2014 Dec 31
EQUITY AND LIABILITIES		
Equity		
Share capital	151,289	125,156
Equity method reserve	-	38,068
Other equity	238,303	60,997
Net profit/loss for the year	287,605	29,196
Equity attributable to Parent Company shareholders	677,197	253,416
Minority's share of equity	92,969	-
Total equity	770,166	253,416
Provisions		
Provision for deferred taxes	2,095	169
Other provisions	-	-
Total provisions	2,095	169
Liabilities		
<i>Long-term liabilities</i>		
Interest-bearing liabilities	730,659	494,353
Other long-term liabilities	110,056	100
Total long-term liabilities	840,715	494,453
<i>Current liabilities</i>		
Liabilities to credit institutions	130,250	-
Accounts payable	13,887	15,131
Income tax liabilities	3,535	1,138
Other current liabilities	76,507	17,336
Accrued expenses and deferred income	49,955	10,746
Total current liabilities	274,134	44,350
Total liabilities	1,114,849	538,803
TOTAL EQUITY AND LIABILITIES	1,887,111	792,389

Consolidated cash flow statement

SEK thousand	2015 Oct-Dec	2014 Oct-Dec	2015 Jan-Dec	2014 Jan-Dec
Operating activities				
Profit/loss after financial items	79,286	45,658	307,284	29,804
Adjustments for non-cash items, etc.	-203,324	-1,191	-398,257	4,407
	-124,038	44,467	-90,973	34,211
Income tax paid	1,165	3,462	812	3,635
Cash flow from operating activities before changes in working capital	-122,873	47,929	-90,161	37,846
Cash flow from changes in working capital				
Reduction (+)/increase (-) of development and project properties	-39,133	40,174	-143,811	-68,383
Decrease(+)/increase(-) in current receivables	207,537	-198,863	104,402	-203,324
Decrease(+)/increase(-) in current liabilities	-95,940	24,619	-19,975	4,750
Cash flow from operating activities	-50,409	-86,141	-149,545	-229,111
Investing activities				
Shareholder contributions made	-	-	-200	-
Acquisition of intangible fixed assets	-148	-2	-607	-8,083
Acquisition of property, plant and equipment	-103	101	-523	-88
Sale of property, plant and equipment	-	-	2	-
Investment in financial assets	-	-1,238	-5,235	-6,660
Disposal/reduction of financial assets	-	-	6,775	-
Cash flow from investing activities	-251	-1,139	212	-14,831
Financing activities				
New share issue	-10	-	180,502	-
Shareholders' contributions received	-	53	-	53
Borrowings	109,094	47,776	471,350	366,704
Repayment of borrowings	-	-10,137	-340,302	-103,666
Paid dividends	-	-	-6,258	-5,006
Cash flow from financing activities	109,084	37,692	305,292	258,085
Cash flow for the year	58,424	-49,588	155,959	14,143
Cash and cash equivalents at the beginning of the year	134,934	86,987	37,399	23,256
Cash and cash equivalents at the end of the year	193,358	37,399	193,358	37,399

Changes in equity, Group

Group, SEK thousand	Share capital	Equity method reserve	Other equity	Net profit/loss for the year	Total equity, principal owner	Minority interest	Total equity
Amount at beginning of year 1/1/2014	125,156		44,389	20,518	190,063		190,063
Profit/loss for the year carried forward			20,518	-20,518	0		0
Write-up		39,000			39,000		39,000
Shareholders' contributions			164	-	164		164
Dividends			-5,006	-	-5,006		-5,006
Change in equity method reserve		-932	932		0		0
Net profit/loss for the year				29,196	29,196		29,196
Amount at end of year 12/31/2014	125,156	38,068	60,997	29,196	253,416		253,416
Amount at beginning of year 1/1/2015	125,156	38,068	60,997	29,196	253,416		253,416
Transfer of profit/loss for the year to non-restricted reserves			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				287,604	287,604	19,115	306,719
Amount at end of year 12/31/2015	151,289	-	238,304	287,604	677,197	92,969	770,166

Parent Company income statement

SEK thousand	2015 Oct-Dec	2014 Oct-Dec	2015 Jan-Dec	2014 Jan-Dec
Operating income	4,113	–	4,113	–
Operating expenses				
Other external costs	–1,000	–109	–2,625	–480
Personnel costs	–829	–	–2,432	–
Operating profit/loss	2,284	–109	–944	–480
Profit/loss from financial items				
Interest income and similar profit/loss items	4,663	4,059	18,582	12,620
Interest expenses and similar profit/loss items	–9,154	–5,192	–20,821	–14,789
Profit/loss before tax	–2,206	–1,242	–3,183	–2,650
NET PROFIT/LOSS FOR THE YEAR	–2,206	–1,242	–3,183	–2,650

Parent Company balance sheet

SEK thousand	2015 Dec 31	2014 Dec 31
ASSETS		
Non-current assets		
<i>Financial assets</i>		
Participations in Group companies	88,822	88,822
Receivables from Group companies	234,026	234,016
Participations in associated companies	2,050	1,850
Receivables from associated companies	30,615	27,241
	355,513	351,929
Total non-current assets	355,513	351,929
Current assets		
Development and project properties	–	3,823
Accounts receivable	–	3
Receivables from Group companies	159,307	10,778
Receivables from associated companies	265	221
Other receivables	21,228	1
Prepaid expenses and accrued income	193	74
	180,993	14,900
Cash and bank balances	11,137	551
Total current assets	192,130	15,451
TOTAL ASSETS	547,643	367,381

Parent Company balance sheet

SEK thousand	2015 Dec 31	2014 Dec 31
EQUITY AND LIABILITIES		
Equity		
<i>Restricted equity</i>		
Share capital	151,289	125,156
	151,289	125,156
<i>Non-restricted equity</i>		
Profit/loss carried forward	156,185	10,724
Net profit/loss for the year	-3,182	-2,650
	153,003	8,074
Total equity	304,292	133,230
Liabilities		
<i>Long-term liabilities</i>		
Interest-bearing liabilities	238,000	220,034
Other long-term liabilities	-	-
Total long-term liabilities	238,000	220,034
<i>Current liabilities</i>		
Accounts payable	-	69
Liabilities to Group companies	3,882	1,948
Other current liabilities	-	12,000
Accrued expenses and deferred income	1,468	100
Total current liabilities	5,350	14,117
Total liabilities	243,350	234,151
TOTAL EQUITY AND LIABILITIES	547,643	367,381

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 1/1/2014	125,156	16,247	-628	140,775
Shareholders' contributions		111		111
Appropriation of profit/loss as per resolution by the AGM		-628	628	0
Dividends		-5,006	-	-5,006
Net profit/loss for the year			-2,650	-2,650
Amount at end of year 12/31/2014	125,156	10,724	-2,650	133,230

The outstanding number of basic shares at 12/31/2014 amounts to 31,288,942.

The outstanding number of shares after full dilution at 12/31/2014 amounts to 33,288,942 (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 1/1/2015	125,156	10,724	-2,650	133,230
Profit/loss for the 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 period			-3,182	-3,182
Amount at end of year 12/31/2015	151,289	156,186	-3,182	304,293

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).



Traversen Sollentuna

In Sollentuna, between Sollentuna Centrum and Stinsens shopping center, Magnolia Bostad has built 230 rental apartments. The property is part of the new Tureberg neighborhood, which is situated a comfortable walking distance from the commuter train. Occupancy will be completed at the beginning of 2016.



Project facts

Location: Sollentuna
Type of ownership: Rental
Number of apartments: 230
Architect: Lindberg Stenberg Arkitekter
Occupancy: 2015–2016

Magnolia Bostad in brief

Magnolia Bostad was founded in 2009 with the vision of creating modern homes and residential environments through smart functions and attractive architecture. The company develops new apartments, both rental apartments and tenant-owned apartments, in attractive locations primarily in Sweden's metropolitan areas and regional cities. 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 is listed on Nasdaq First North. Erik Penser Aktiebolag is the Certified Adviser for the Company.

Financial Calendar

- The Annual Report will be available for download on Magnolia Bostad's website April 15, 2016.
- The Annual General Meeting will be held on May 4, 2016
- Interim report January-March: May 17, 2016
- Interim Report January-June: August 23, 2016
- Interim Report January-September: November 22, 2016
- Year-end Report January-December: February 24, 2017

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Press releases Q4

07/10/2015 Magnolia Bostad signs declaration of intent for the sale of more than 2,000 rental apartments

12/10/2015 Magnolia Bostad enters into land allocation agreement with Knivsta Municipality for 200 residential units

03/11/2015 Magnolia Bostad to build two additional blocks in Mariastaden, Helsingborg

04/11/2015 Magnolia Bostad awarded land allocation for approx. 200 homes in Norrtälje Municipality

09/11/2015 Magnolia Bostad reports the third quarter 2015

16/11/2015 Slättö assumes possession of Magnolia Bostad's project in Karlstad

02/12/2015 Magnolia Bostad starts the sale of tenant-owned homes in Kanikenäsholmen, Karlstad

04/12/2015 Magnolia Bostad acquires building rights from NCC Boende in Limhamn and signs sales agreement

15/12/2015 SPP Fastigheter assumes possession of Magnolia Bostad's project in Limhamn

17/12/2015 Magnolia Bostad among the most traded shares on Nasdaq First North

18/12/2015 Magnolia Bostad acquires land in Uppsala and sells approximately 325 rental apartments

23/12/2015 Magnolia Bostad signs declaration of intent to sell approximately 450 rental apartments

23/12/2015 Magnolia Bostad sells 327 rental apartments to Alecta

MAGNOLIA

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