

Interim Report January – September 2017

– Magnolia Bostad has had a positive business development during the first nine months of the year. The company's project portfolio is developing positively and several negotiations on project sales are in progress. Despite a weak result for the quarter, the full year of 2017 is expected to show continued growth and improved earnings.

Reporting period July-September 2017

- Net sales amounted to SEK 193 million (242).
- The company reported an operating profit of SEK 7 million (99).
- Net profit for the period amounted to SEK -22 million (79). Earnings per share, after deductions for minority shares, amounted to SEK -0.53/share (1.87).
- During the period, Magnolia Bostad agreed on the acquisition of 0 estimated building rights (1,160) and sold 224 apartments (768).
- Agreement on sales of 275 apartments in Arlöv as well as 236 apartments in Nynäshamn were signed during the quarter. As the sales are conditional on the buyer's financing no profit-making has been made during the quarter.
- Transfer of previously issued bond loan of SEK 400 million to the Corporate Bond list at Nasdaq Stockholm.
- Magnolia Bostad took possession of Svenska Vårdfastigheter AB on July 4, 2017.

Interim Period January–September 2017

- Net sales increased to SEK 1,054 million (885).
- The company reported an operating profit of SEK 146 million (314)
- Net profit for the period amounted to SEK 69 million (251). Earnings per share, after deductions for minority shares, amounted to SEK 0.90/share (5.61).
- Equity amounted to SEK 974 million (984).
- Equity per share, after deductions for minority shares, amounted to SEK 21.97/share (22.53).
- During the period, Magnolia Bostad agreed on the acquisition of approximately 5,825 estimated building rights (3,915) and sold 1,004 apartments (2,092).
- Magnolia Bostad's share is being traded as of March 31, 2017 on Nasdaq First North Premier.

Significant events during the quarter

- Took possession of Svenska Vårdfastigheter AB.
- Expanded the management team.
- Sale of one project in Nynäshamn of 220 rental apartments.
- Sale of the tenant-owned apartment project, Varvet Townhouse, in Karlstad.
- Conversion of 44 apartments in the project Gjuteriet in Eskilstuna.

Significant events after the end of the period

- Magnolia Bostad signed a strategic cooperation agreement with the builder Consto AB for the production of approximately 2,000 apartments for a total contract value of approximately SEK 2 billion.
- Extraordinary general meeting on October 13, 2017 resolved to approve the introduction of a new minority ownership structure with Fredrik Lidjan AB.

Magnolia Bostad develops new residential properties, including rental apartments, tenant-owned apartments, residential care housing, hotels and student housing, in attractive locations in Sweden's growth areas and major 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's share (MAG) is listed on Nasdaq First North Premier. Erik Penser Bank is the Certified Adviser for the Company. More information is available at www.magnoliabostad.se

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The information in this press release is such information that Magnolia Bostad AB is obliged to make public according to the European Union's Market Abuse Regulation, (EU) No 596/2014. The information was submitted for publication, through the agency of the contact persons set above, on October 27, 2017 at 07:45 am.

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