



Q1
2017

A good start to the year & significant growth in project portfolio

Mattias Roos, President & CEO
Casper Tamm, Director of Finance
Stockholm, May 18, 2017

SSM

Q1 highlights

- Continued significant growth in project portfolio
 - Added 955 focused and high-quality building rights
- Positive sales start and continued strong demand
 - Strong demand for affordable housing in urban areas
 - 25-30 stakeholders per apartment
 - Sales start for 387 cooperative apartments in Kista (Kosmopoliten) and Sollentuna (Sollentuna Hills)
 - C. 60% booked within 3 weeks of sales start in Kosmopoliten project
- Listed on Nasdaq Stockholm on April 6 together with new issue of 9,152,542 shares



Q1 highlights cont.

- Good conditions to reach our targets for 2017
 - Strong demand
 - Estimated 1,000 production starts
 - Revenue increased 87.2% (178,9% Apr-Mar 2016/2017)
 - Gross margin 17.4% (22.6% Apr-Mar 2016/2017)
 - EBIT margin 15.6% (28.8% Apr-Mar 2016/2017)
 - 255 cooperative apartments in Danderyd (Twin House) and Liljeholmen (Rosteriet) completed
 - Metronomen and West Side Solna projects somewhat delayed
 - In May, plan for Metronomen was approved
 - Decision pending regarding building rights for West Side Solna (Q2/Q3)



Strong underlying demand for affordable housing in urban areas

”

900,000 urbanites in
Greater Stockholm area

”

Single and two-person
households

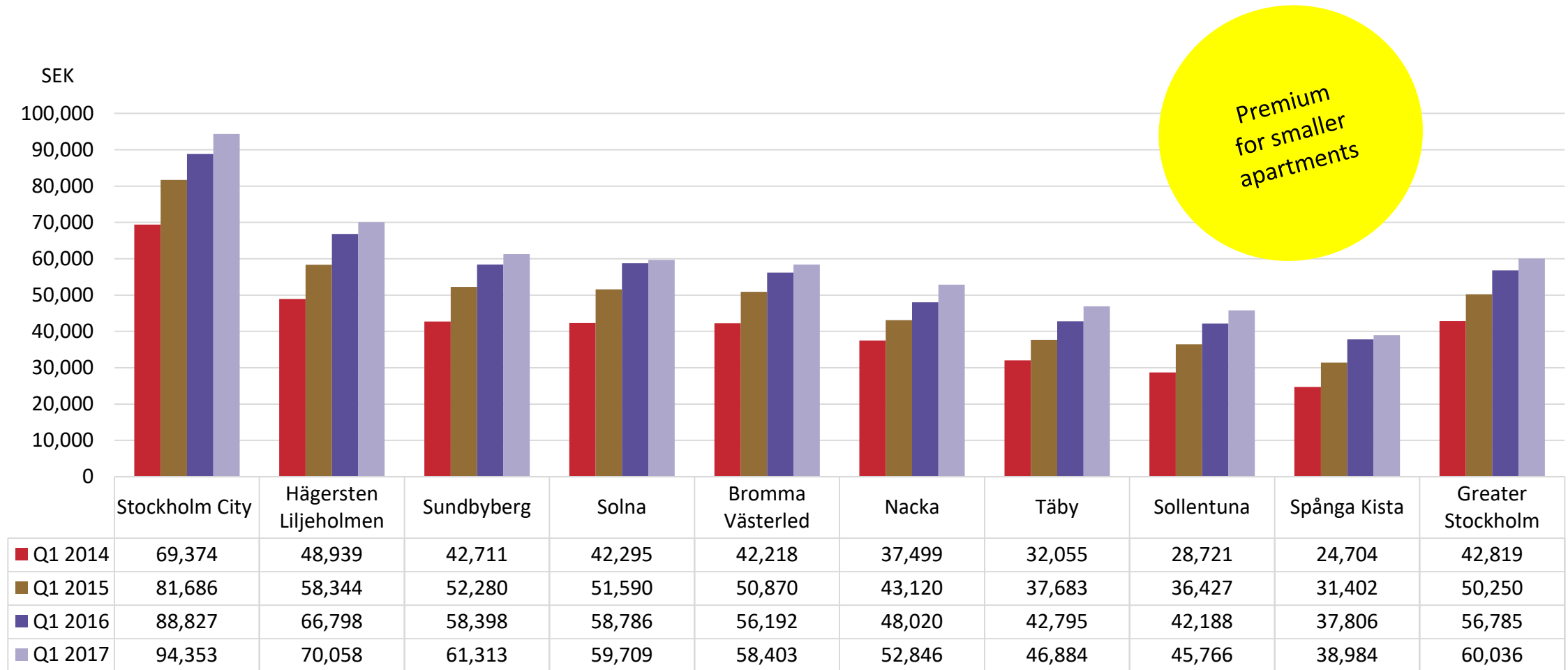
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C. 25-30 stakeholders per
apartment in recent sale
starts

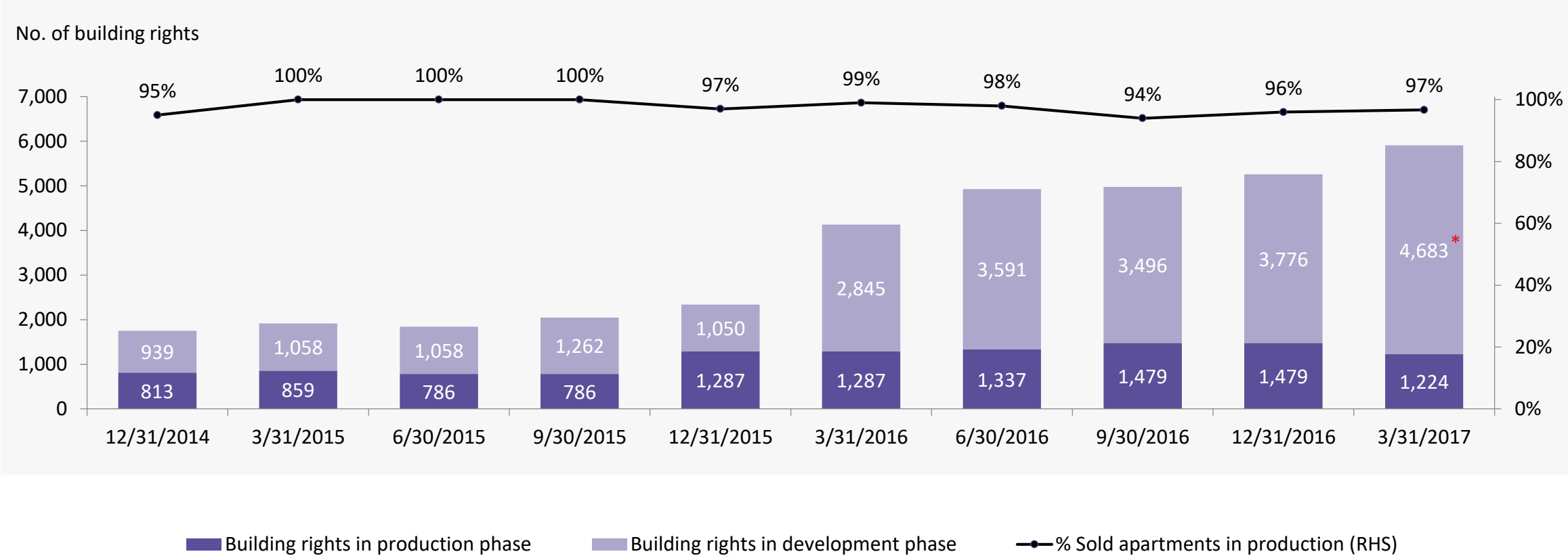
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Continued strong demand reflects price development



Solid portfolio gives confidence in long-term profitable growth



Good pace in production starts in upcoming years

				Investment sourcing	Project development/ Potential divestment	Planning	Apartment sales	Divestment to housing cooperative	Production	Handover and property services/ Property management
Project	No. of apartments	Production start	Estimated completion	1	2	3	4	5	6	7/8
Projects in production phase										
The Lab	266	Q3 2014	2017							
Bromma Tracks	249	Q4 2014	2017							
Turbinhallen	205	Q4 2015	2018							
The Tube	50	Q2 2016	2018							
West Side Solna	266	Q4 2015	2019							
Metronomen	188	Q3 2016	2019/2020							
Projects in development phase										
Kosmopoliten *	204	2017	2021							
Sollentuna Hills *	183	2017	2022							
Platform West *	109	2017	2021							
Täby Market *	90	2017	2019							
Täby Turf *	185	2017	2020							
The Loft *	120	2017	2020							
Elverket in Nacka 1 *	150	2017	2020							
Bromma Boardwalk *	260	2017	2020							
Tentafabriken *	77	2017	2019							
Tellus Towers (78) *	693	2018	2021							
Tellus Towers (58) *	515	2018	2021							
Tellus Lamell *	18	2018	2021							
Järla Station *	319	2018	2020							
Elverket in Nacka 2	200	2019	2021							
Bromma Tracks	90	2018	2020							
Spånga Studios	80	2018	2019							
Bromma Square	400	2019	2021							
T17B	60	2019	2020							
Älvsjö Quarters	530	2019	2021							
Spånga	250	2020	2021							
Akalla	175	2019	2021							
Total	5,932									

Planned
2,923
sales starts
this year

Target from
c. **1,000**
in 2017 >>>
c. **1,800** housing
starts per year
by 2021

6 attractive projects in production will be completed in next few years

Project	No. apts.	Living area	Area	Prod. start	Completion	No. sold apts.
The Lab	266	14,456	Solna	2014	2016/2017	266
Bromma Tracks	249	12,144	Bromma	2014	2017	249
Turbinhallen	205	12,876	Nacka	2015	2017/2018	201
The Tube	50	2,354	Sundbyberg	2016	2018	41
West Side Solna	266	12,361	Solna	2015	2018/2019	252
Metronomen	188	7,612	Telefonplan	2016	2019/2020	175
Total	1,224	61,803				1,184



The Lab



Bromma Tracks



Turbinhallen



The Tube



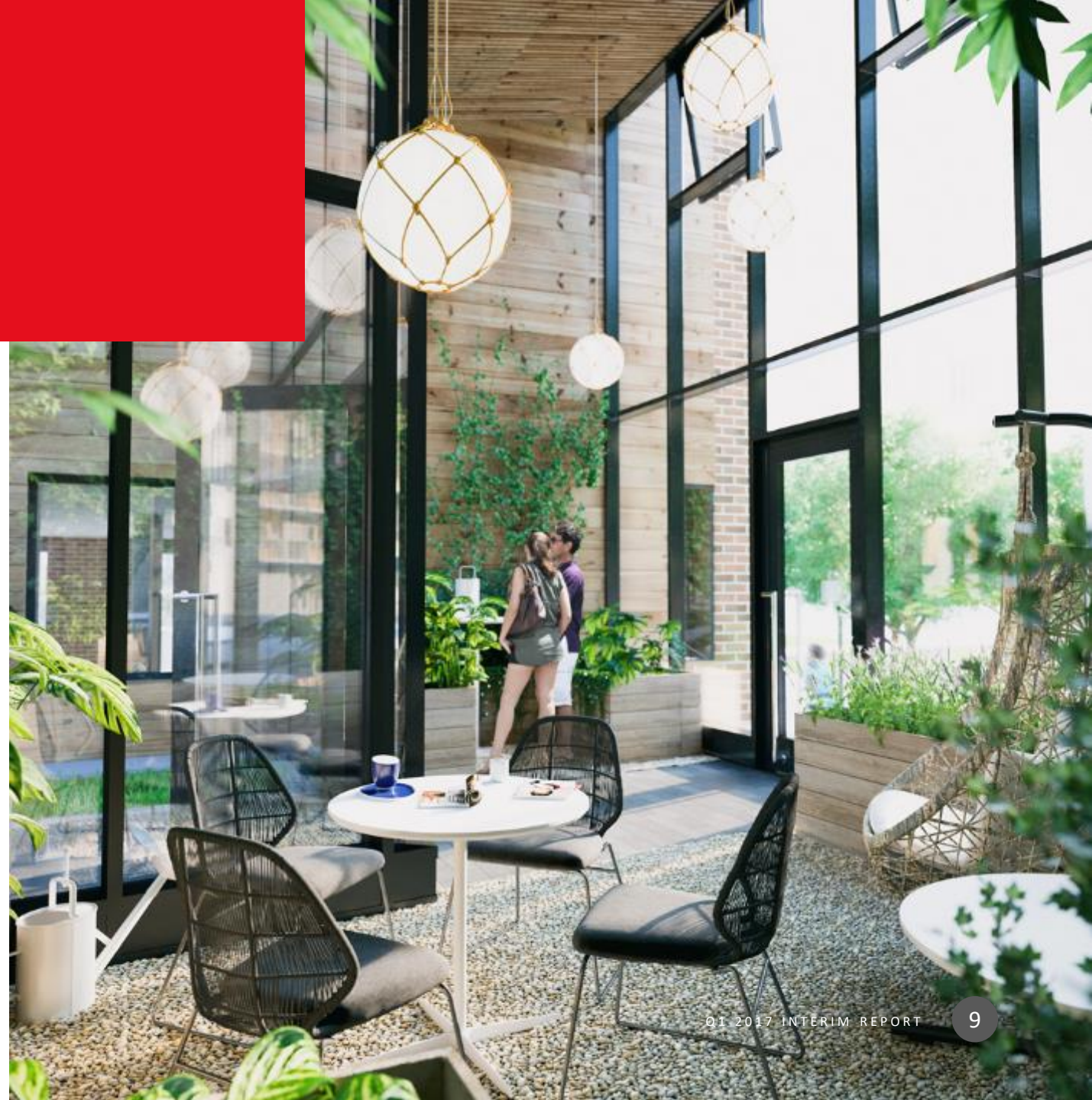
West Side Solna



Metronomen

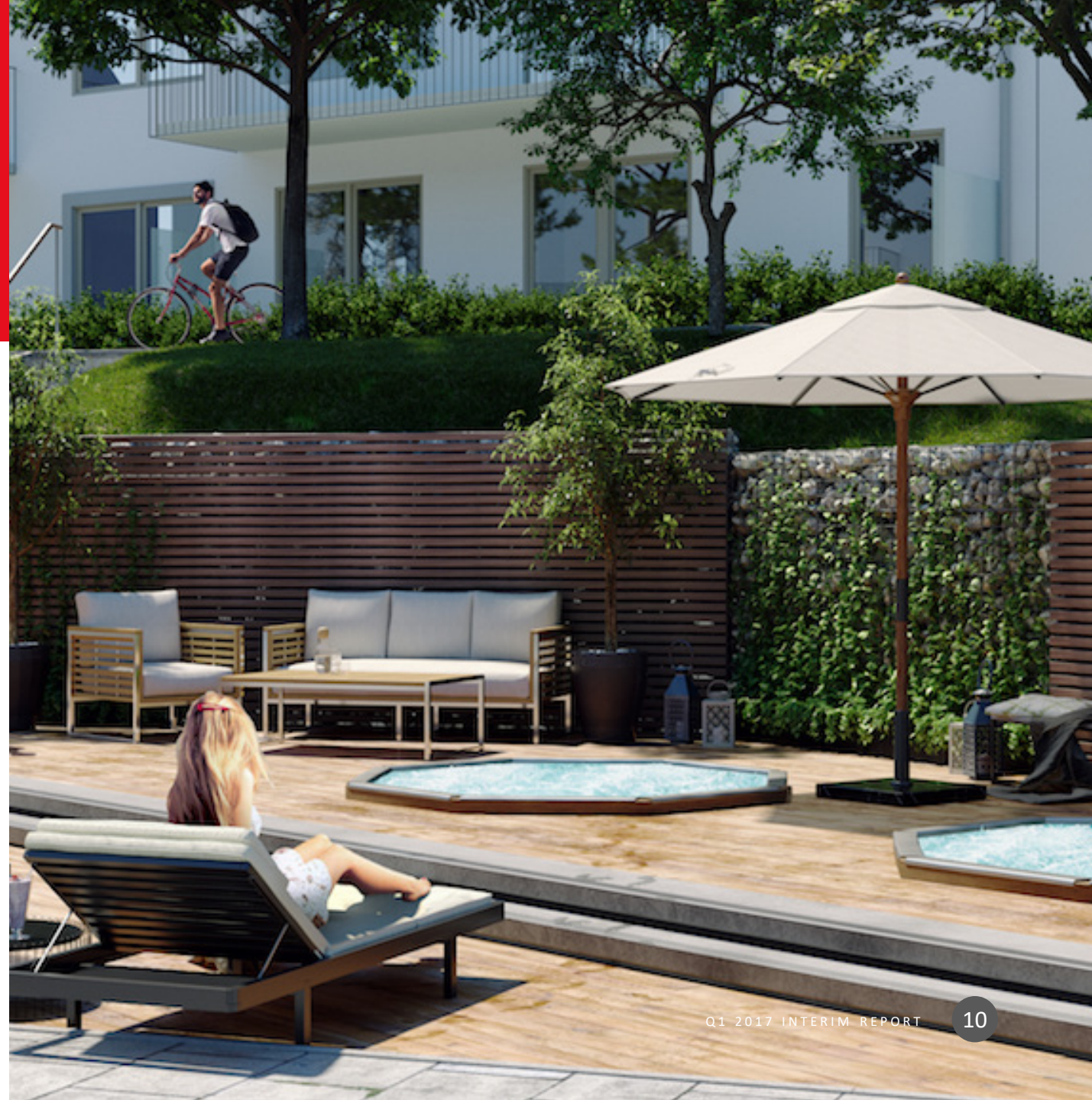
Sales start April 26, 2017 – Kosmopoliten

- Kista Äng area
- 204 cooperative apartments
- 90% have floor area of 30-65 m²
- Own balcony or patio
- Attractive, modern common spaces including outdoor gym and pool, orangery, parking area for bikes, car pool, charging stations for electric cars and in-building cold storage facilities for grocery deliveries
- C. 60% booked within 3 weeks of sales start
- Production start expected in 2019, completion 2021
- Project managed fully by SSM



Sales start May 21, 2017 – Sollentuna Hills

- Growing urban area close to nature in Väsjön, Sollentuna
- 183 cooperative apartments
- C. 80% have floor area of 40-64 m²
- Own balcony / French balcony or private patio
- Planning for common spaces such as a lush courtyard with an outdoor spa, lounge area and barbecue facilities plus car and bike pool and bike workshop
- Production start planned in 2017, completion 2022
- Project managed fully by SSM



Successful acquisition of 955 focused and high-quality building rights



Täby Turf

- 180 rental units
- Municipality of Täby land allotment competition
- Project managed fully by SSM



Täby Market

- 90 cooperative apartments
- Municipality of Täby land allotment competition
- Project managed fully by SSM



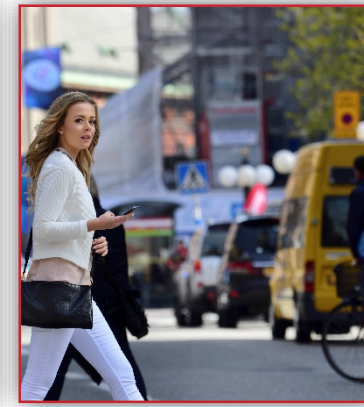
Bromma Boardwalk

- 260 apartments
- Mariehäll/Bromma (Municipality of Stockholm)
- Off-market acquisition
- Project managed fully by SSM



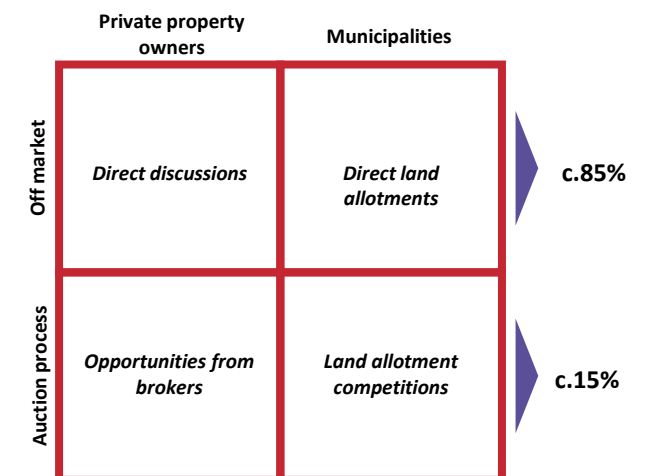
Spånga (TBD)

- 250 apartments
- Spånga area (Municipality of Stockholm)
- Off-market acquisition
- Project managed fully by SSM

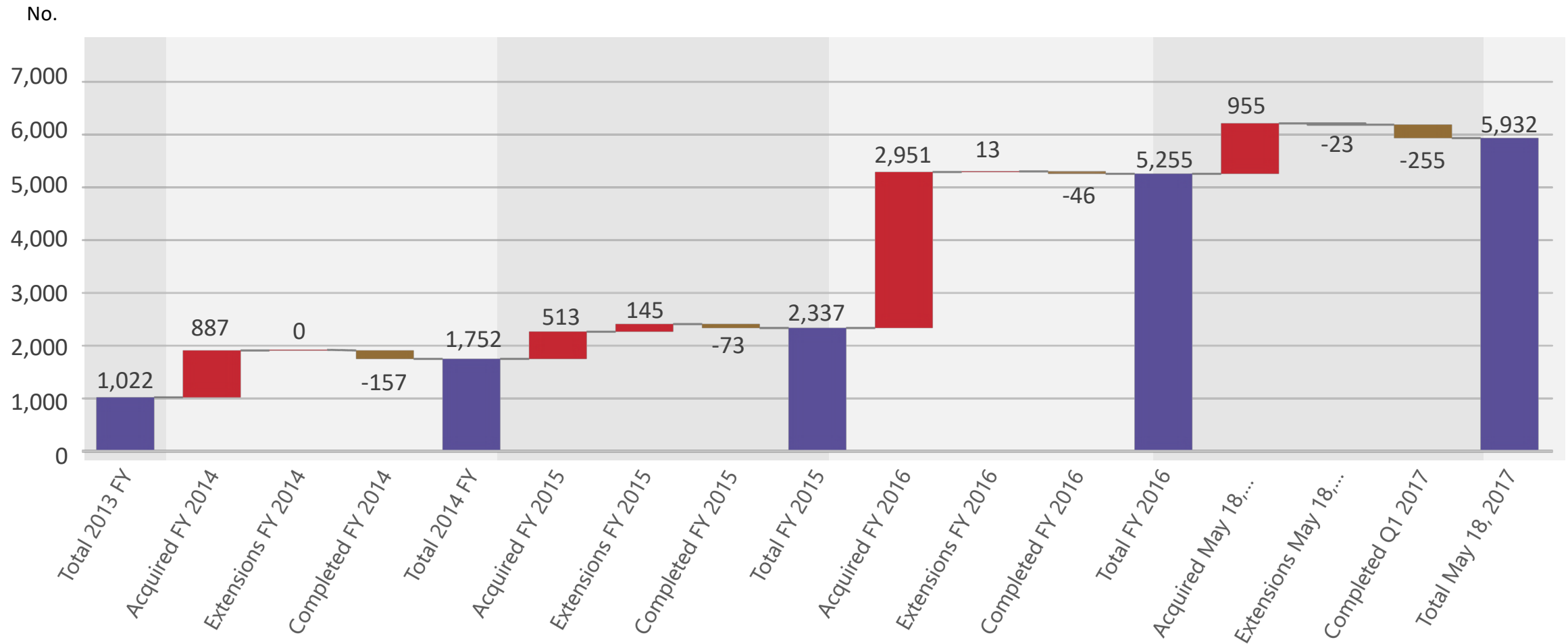


Akalla (TBD)

- 175 apartments
- Akalla area (Municipality of Stockholm)
- Off-market acquisition
- Project managed fully by SSM

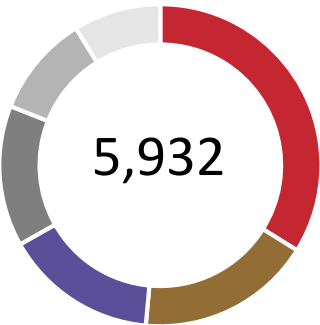


Solid portfolio provides confidence in long-term stable growth



Portfolio in urban areas close to city center and excellent public transportation

Total portfolio in areas with high demand



- Telefonplan/Älvsjö
- Bromma/Mariehäll
- Nacka
- Sollentuna/Kista/Spånga
- Solna/Sundbyberg
- Täby



Update Tellus Towers

- Telefonplan area
- 1,226 building rights
- Project will be divided into cooperative apartments, rental units and hotel operations.
- Gert Wingårdh / Gary Chang
- Multi-use of space
- Planning for partners in all areas
- Consultation planned in Q3 2017



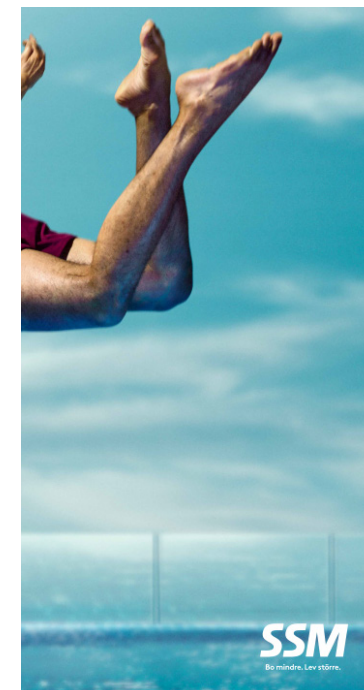
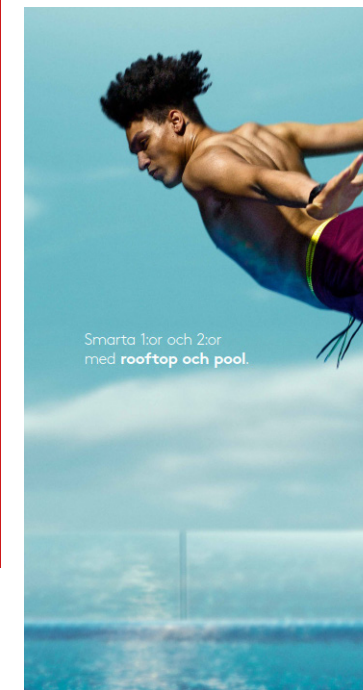
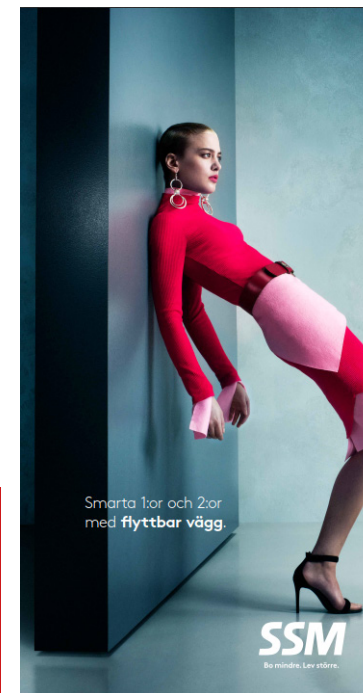
Successful pre-sales campaign during the spring with high response rate



Snart börjar
försäljningen av
Stockholms första
skyskrapor.

Läs mer om
Tellus Towers och lämna
din intresseanmälan på
ssmliving.se

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Bo mindre. Lev större.



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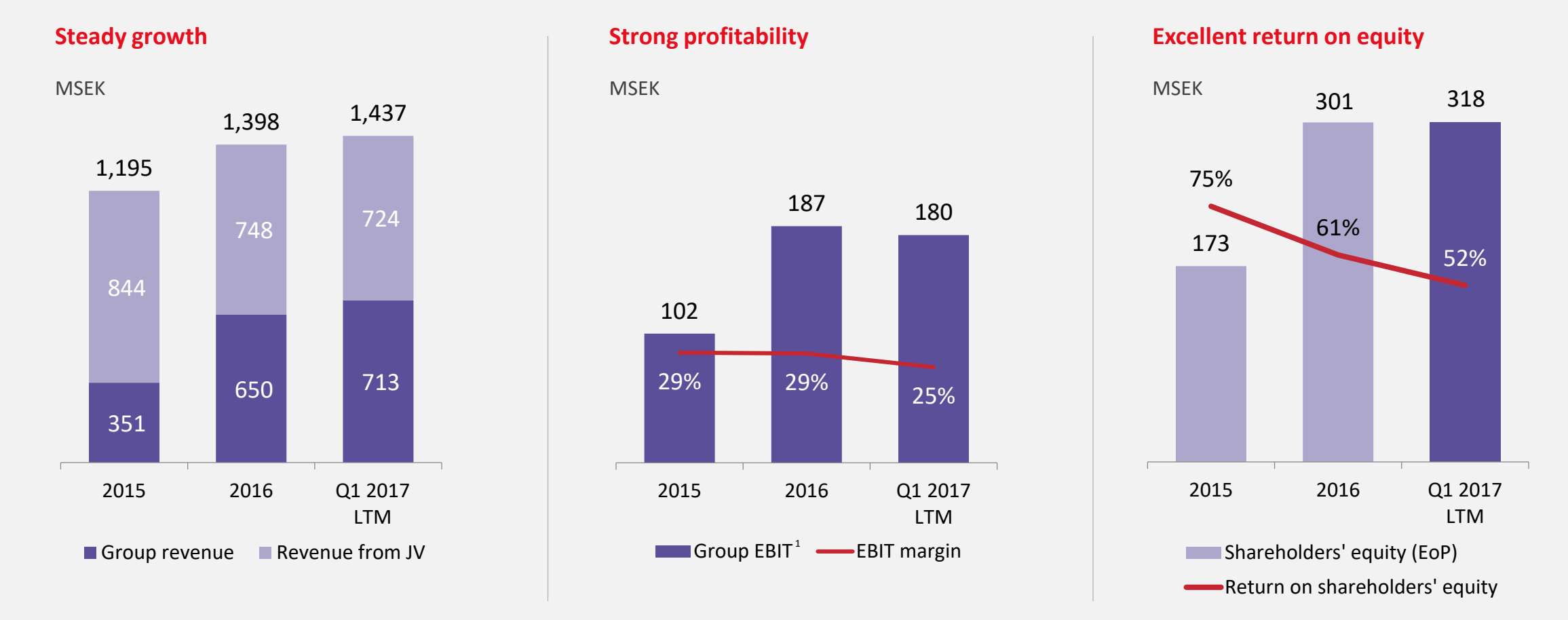
Q1
2017

Financial overview

Casper Tamm
Director of Finance

SSM

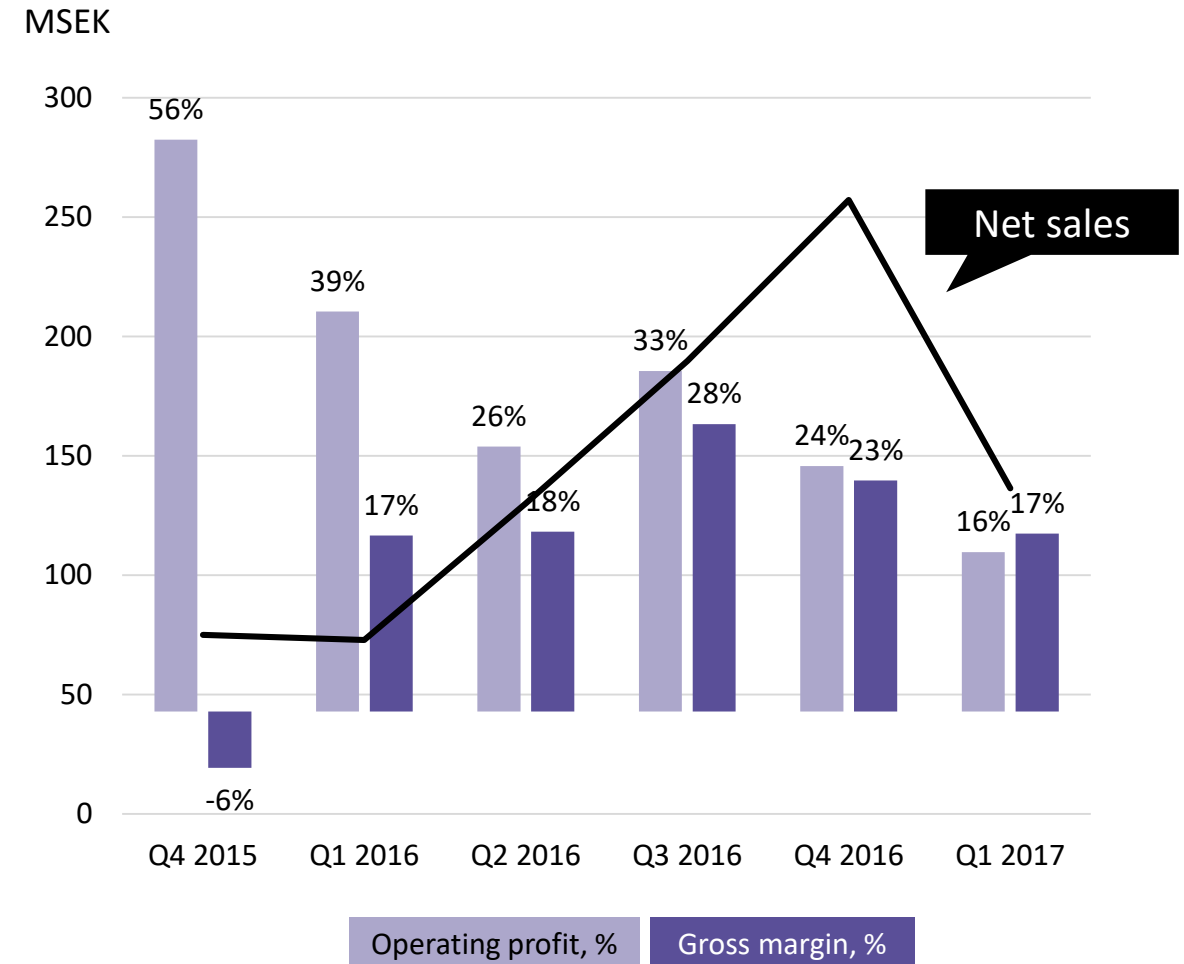
Overview of SSM's financial profile



SSM 1.) Group EBIT (incl. SSM's share of profit from JV)/ Group revenue (excl. SSM's share of revenue from JV)

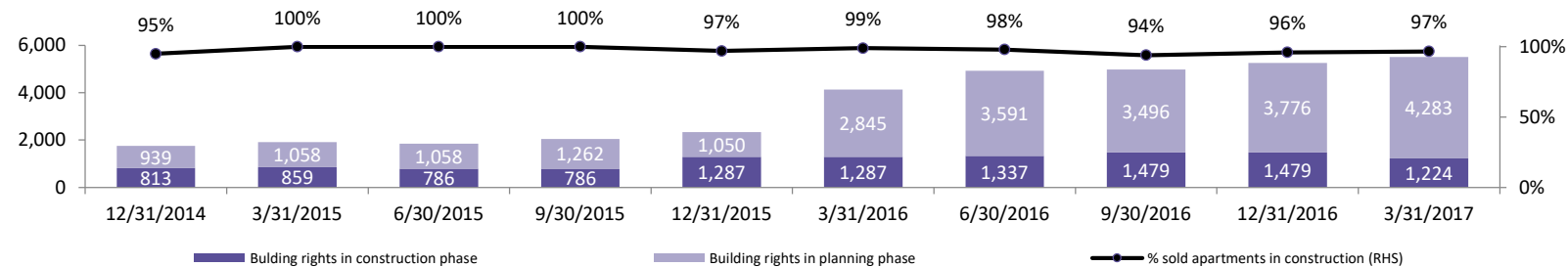
Net sales and operating profit

- Net sales increased to 136.4 MSEK (72.9)
 - Project sales chiefly refer to the Bromma Tracks, Metronomen and The Tube projects.
 - The increase in sales is due to the higher level of activity both in wholly-owned projects and in invoiced construction contracts related to JV-projects.
- Gross margin increased to 17.4% (17.2)
- Operating profit was 21.2 MSEK (28.5)
 - The cost of sales and administration amounted to -14.9 MSEK (-3.5). The current period includes items affecting comparability totaling 10.3 MSEK.
 - Participations in joint ventures amounted to 12.4 MSEK (19.5). The lower outcome is due to reduced activity within JV-projects such as Rosteriet, which has been completed, and The Lab, which is approaching completion and also a delay in the West Side Solna project.
- Operating margin was 15.6% (39.1)

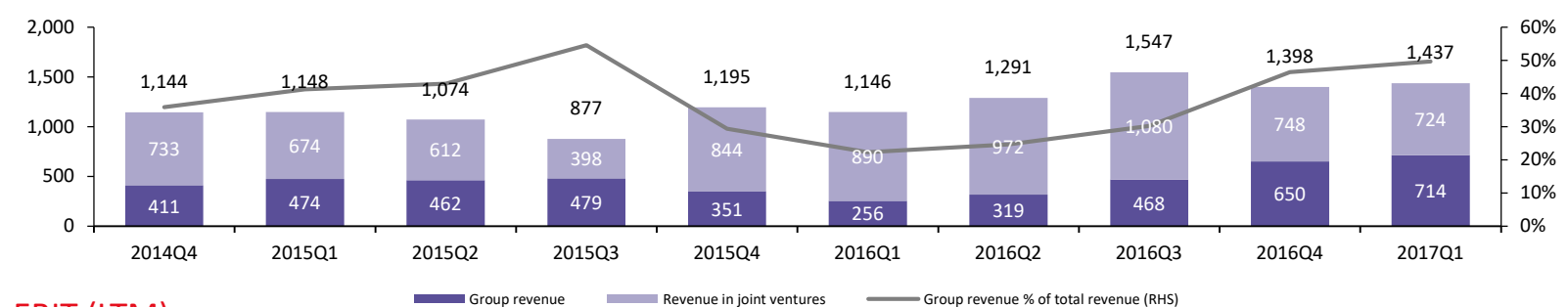


EBIT correlates with total revenue growth

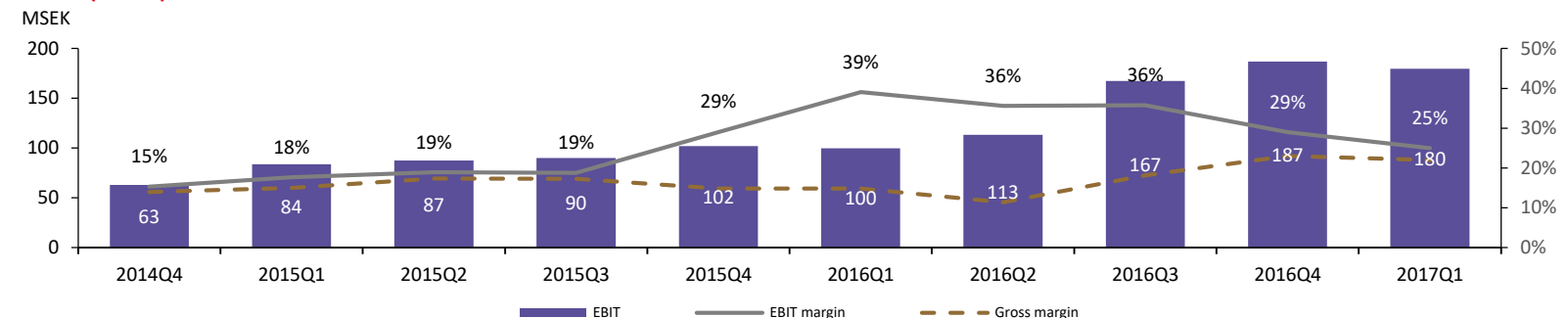
Portfolio



Revenues (LTM)



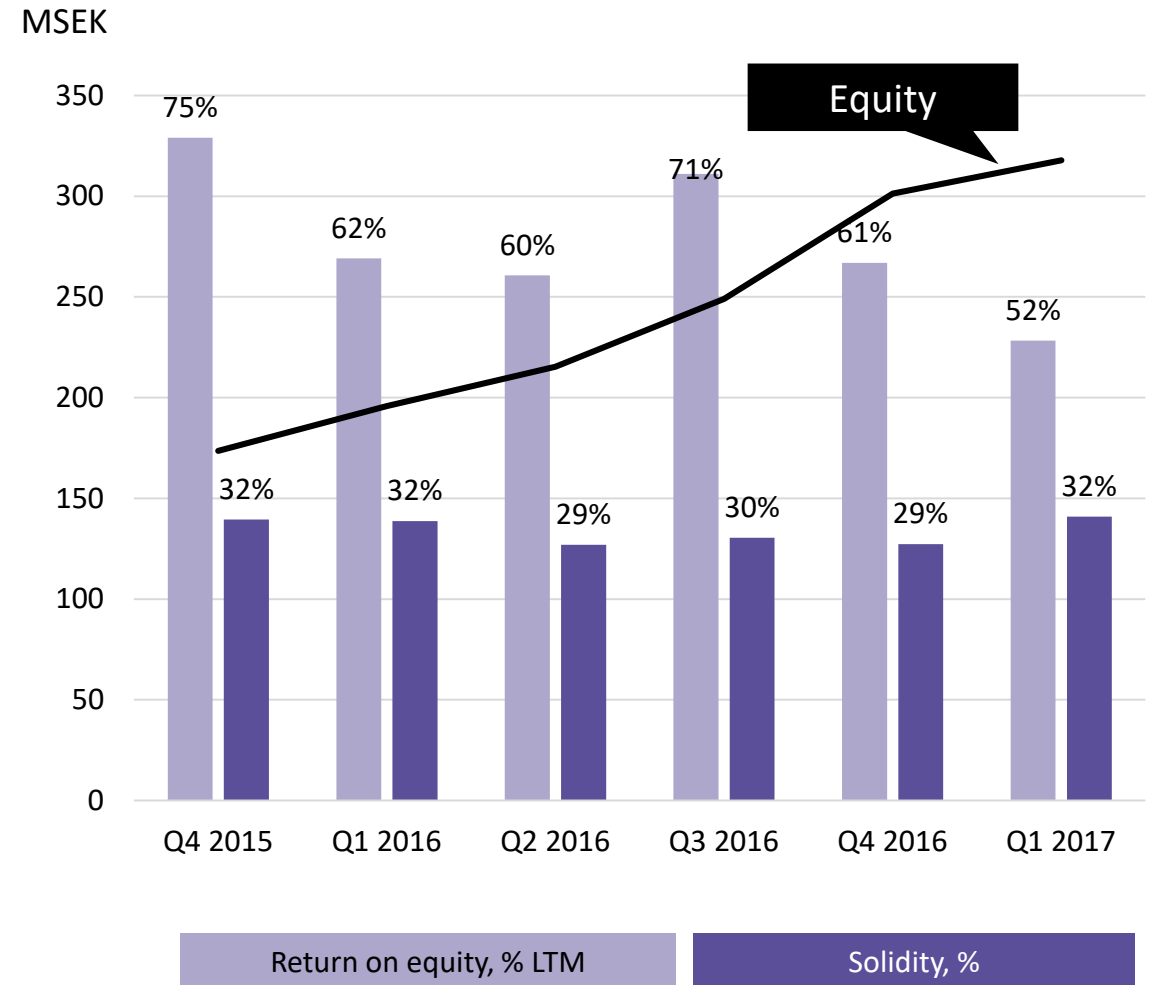
EBIT (LTM)



- SSM’s operations are not affected by any obvious seasonal variations.
- However, large projects may be subject to a material effect on sales and profit/loss in individual quarters depending on when the projects are started and completed.
- This effect on sales and profit/loss should therefore be considered over a longer cycle, such as a twelve-month period.

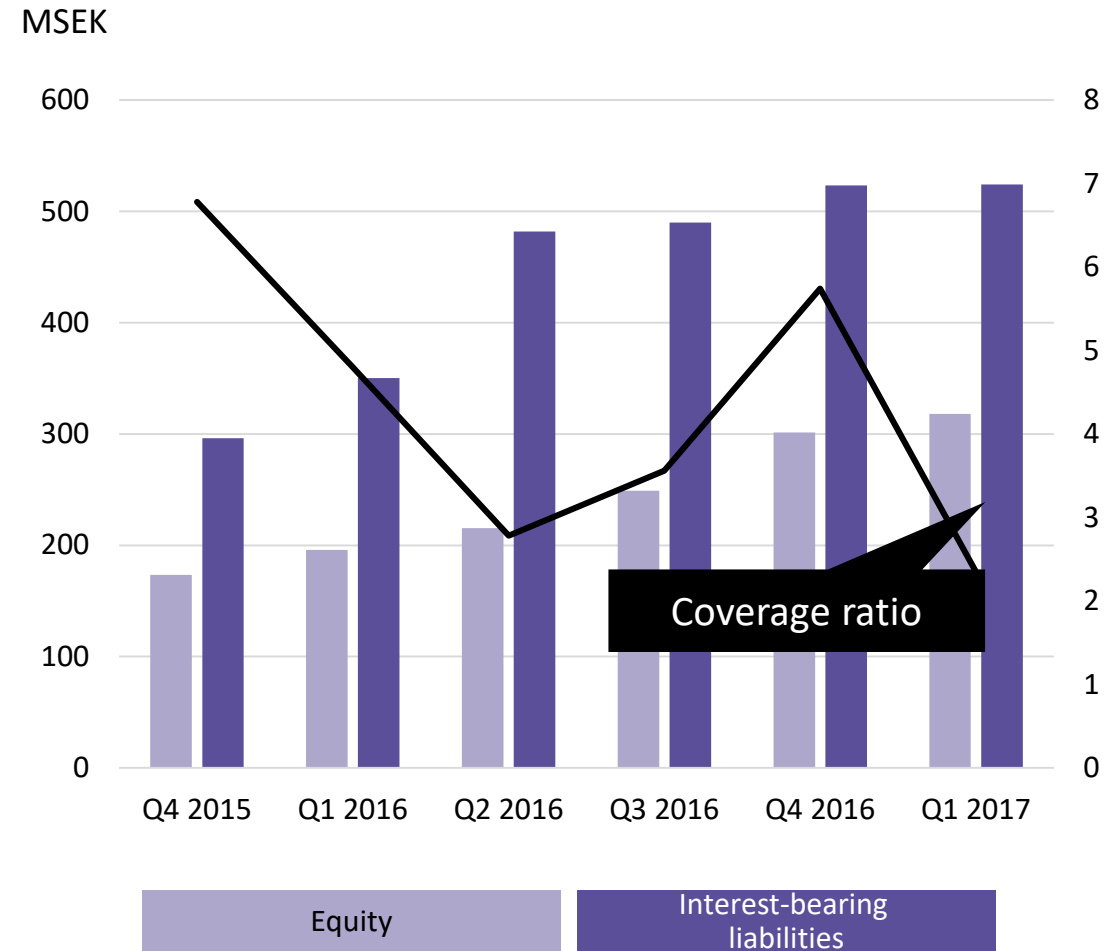
Financial position

- The Group's total assets were 986.9 MSEK (617.8)
 - The increase on the asset side of the balance sheet between the periods is primarily attributable to an increase in the number of building rights and an increase in recognized receivables related to projects in production
- The Group's equity increased to 317.9 MSEK (195.9)
- Equity ratio of 32.2% (31.7) and a return on equity LTM Q1 of 52.2% (61.0)
 - Lower return on equity due to increased equity and lower earnings for the period LTM.



Financial position and cash flow

- The Group's interest bearing liabilities was 524.2 MSEK (341.8) of which the bond loan accounted for 391.4 MSEK (197.2)
 - The Group currently uses two external sources of funding: bonds and loans from credit institutions.
 - In addition, the company has access to unused credit facilities of 320 MSEK (12).
- Cash & cash equivalents was 46.2 MSEK (7.3)
- Cash flow from current activities was -1.5 MSEK (-87.8)
 - Primarily positive changes to the Group's project properties comprised of sales of properties to housing cooperatives.



Our financial targets confirms our continued focus on profitable growth and strong returns

Commentary

- Operating margin for the first quarter was 15.6% (39.1)
- Return on equity LTM for the period was 52,2% (61,0)
- The equity ratio LTM was 32.2% (31.7)
- The interest coverage ratio LTM was 2.3 (4.8)

EBIT margin

>20%

Return on equity

>25%

Dividend policy

>30%
of net profits

The proposed dividend for AGM 2017 was 0 SEK (18.5).

Equity ratio

>30%

Interest coverage ratio

>2x

Profit after financial income
in relation to financial costs.

During 2017, SSM adopted new financial targets and renewed its long-term business plan. SSM intends to gradually expand the number of housing starts by 2021 to reach a level of 1,800 starts per year. Our target for 2017 is to start production of approximately 1,000 apartments.

Well-equipped for continued profitable growth

- Good sales starts
- Acquired 955 building rights
- Planned sales starts together with ongoing projects and a strong project portfolio give SSM the right conditions to reach its targets for 2017



A skateboarder in a black t-shirt, shorts, and a cap is captured mid-air, performing a trick on a concrete wall covered in graffiti. The scene is set against a bright sunset sky, with the sun low on the horizon. In the background, there are modern buildings and a tall crane. A large yellow circle is overlaid on the left side of the image, containing the text 'Q&A'.

Q&A

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ssmliving.se