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Corporate participants
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Highlights
Sverre Molvik, CEO
Good morning, and welcome to the fourth-quarter results presentation for Selvaag Bolig. My name is Sverre Molvik, and I am the Chief Executive Officer. Together with our Chief Financial Officer, Christopher Brunvoll, I will go through today's agenda. We'll begin by looking at the highlights from the quarter and the year, then move on to the operational aspects. After that, Christopher will take us through the financials. Finally, we'll discuss the market outlook, prospects for the future, and finish with a few questions.

We delivered a solid result in the fourth quarter, and NOK 1.42/share for the year, which is a good performance given the challenging market conditions. It has been a difficult market to navigate, and this demonstrates that we have a strong business model and are executing across the entire value chain in an efficient manner.

We sold residential units with a value of approximately NOK 700 million in the fourth quarter, and around NOK 3 billion for the year as a whole.

Our order backlog at year end stood at NOK 6.6 billion, comprising 900 units, and we have made a good start to the new year. The order backlog has now increased to NOK 7.8 billion, since we had a strong start to the year and started construction of 166 units early on.

During the year we added to our land bank the equivalent of around 900 units. At the same time, we completed significantly fewer than that, meaning we effectively replenished our land bank. We do this counter-cyclically, acquiring land during downturns in order to achieve better margins than we would if we bought land in stronger market conditions.

The good result of just over NOK 1.40 per share enables us to propose a dividend of NOK 1 per share for the year, corresponding to approximately 70% of earnings per share.

Turning to key figures, we had a strong fourth quarter with many deliveries. The total value of these was approximately NOK 1.6 billion, with a margin of 19%. The fourth quarter was stronger than the same period last year, according to IFRS. For the full year, revenue was NOK 2.8 billion after IFRS, with a margin of 15%.

Using the percentage-of-completion method (*NGAAP*), revenue in the fourth quarter amounted to NOK 984 million, with a margin of 13.5%, which is solid and demonstrates that we have good margins in the current project portfolio. For the year, revenue was NOK 3.3 billion, with a margin of 11.6% under percentage-of-completion accounting. Christopher will provide a more detailed review of the financials shortly.

Operationally, we have also seen record-strong sales so far this year. We have had four successful sales launches in Oslo, Ski, Bergen and Stockholm. In total, we have sold 257 units, with a sales value of approximately NOK 1.8 billion so far this year. This represents a very strong start and shows that we are hitting the mark in our project development and in the plots and schemes we have acquired, despite an otherwise challenging market.

Yes, of the most recent figures, 38 of these were secured through what is known in Sweden as a booking or reservation arrangement, a form of pre-sale, but with a slightly looser agreement that makes it easier for buyers to withdraw. This is simply for information; it is noted in the footnotes to the presentation.

However, buyers do pay a booking fee, and if they withdraw they forfeit part of that money, typically around SEK 15 000 per unit. Once the projects commence construction, the agreement converts into a binding contract.

In addition, we have projects that may be launched throughout the year, roughly 1 100 units, subject to market conditions. We therefore have a substantial pipeline of homes to sell this year, with many exciting developments, and it will be interesting to see how the market evolves.

In the fourth quarter, construction began on a 122-unit development in Lørenskog. Furthermore, we have already initiated construction of 166 units so far this year, bringing units under construction at 10 February to 1 078 units, more than at the start of the year, and valued at NOK 7.8 billion.

Maintaining a strong production volume is, of course, very important, as it enables us to generate IFRS results in the years ahead. This also positions us for a higher number of completions in 2027, which will support future revenue.

We will continue working throughout the quarter to initiate additional construction projects, although progress will depend both on sales and, importantly, on public planning permissions, which are currently moving relatively slowly.

Turning to the land bank, we remain active on the acquisition front. In 2025, we have purchased three projects or plots, including one in Kolbotn, and one where we acquired the partnership in Ski, which is the one launch we have had there, and which has sold well. That give us effectively the entire project. We are also involved in a joint development in Drammen and are continuing to pursue several new opportunities that could lead to further additions to our land bank during the year.

Returning to the quarter itself, we sold 106 homes in the fourth quarter, with a total value of NOK 708 million. For the full year, we sold 466 units. As you can see, this is lower than the weak market of 2024, when 568 units were sold, but stronger than in 2023.

All the past four years have been particularly demanding, characterised by high interest rates and elevated construction costs, making it difficult to achieve viable project economics. We are therefore very pleased with what we have delivered over the past 12 months, namely, sales of NOK 3 billion in 2025.

Looking ahead, the fact that we have already sold NOK 1.8 billion in just six weeks represents an excellent start to the year.

As mentioned earlier, construction starts of 122 units in the fourth quarter, and we completed 261 units during the period. This leaves us with an order backlog of approximately NOK 6.6 billion, comprising 912 units at the end of the quarter. 60% were sold at the end of the quarter, and it has naturally increased since then. The order backlog is now standing at NOK 7.8 billion as of 10 February.

With construction started on a further 166 units, and with completions scheduled throughout the year, we are raising guidance and expect total completions to reach approximately 688 units in 2026. As I mentioned, we are continuing to focus on increasing production and bringing as many units as possible into the construction phase so they can be completed in 2027 and 2028. We have had a very strong start to the year, but with that I will hand over to Christopher.

Financial update
Christopher Brunvoll, CFO

Good morning! Let's now look at the key financial highlights for the quarter. As usual, we start with the income statement under IFRS, where revenues and costs are recognised when the homes are handed over to our customers.

Here we focus on the pro forma figures, which include our gross share of revenues and costs from joint-venture projects. This pro forma view therefore gives a more accurate picture of the portfolio, given that we have a substantial number of such projects in our portfolio.

We delivered 261 units during the quarter. Of these, 67 came from joint ventures. The main contributor in the quarter was Lille Løren Park at Løren (*Oslo*). We also delivered units at Skårer in Lørenskog, Solbergskogen Pluss in Ås, and completed flats at Lervig Brygge in Stavanger.

Revenue for the quarter was approximately NOK 1.6 billion, including other income of NOK 34 million. This primarily relates to project management, operations, and services provided through our Pluss service centre. Project costs came in at roughly NOK 1.3 billion. We benefit from highly capable project managers and maintain strong cost control across our developments, which helps keep expenses down. Many of our projects are covered by fixed-price contracts; without securing these agreements when we did, before the outbreak of the war in 2022, results could have been significantly weaker. These contracts have enabled us to deliver solid margins also in this quarter.

Other costs totalled NOK 89 million, in line with last year. We have maintained a stable cost base, with a steady number of employees and controlled operating expenses, and we are pleased to see costs remaining at a stable level.

Reported adjusted EBITDA was approximately NOK 303 million. Financial expenses of NOK 149 million are included within cost of goods sold. These consist mainly of construction loan interest, interest on seller credits, and option premiums to UP, in other words, significant financing elements are included in the cost of goods.

To summarise the quarter, revenue was NOK 1.6 billion with a margin of 19%, compared with NOK 918 million and a margin of 17% in the fourth quarter last year. The strong revenue growth reflects a much higher number of delivered units, 261 versus 172 in the same period last year.

On the bottom line, earnings per share were NOK 1.37, up from NOK 0.50 in the corresponding quarter last year. The improvement is largely driven by the higher volume of deliveries.

Turning to the full year 2025, we delivered a total of 433 homes, of which 91 were from joint ventures. This generated total revenue of NOK 2.8 billion with a margin of 15%, compared with revenue of approximately NOK 3.1 billion and a margin of 16% the previous year.

Other operating expenses were NOK 288 million, slightly lower than last year. Adjusted EBITDA came in at NOK 410 million, and earnings per share for the year were NOK 1.42, which declined from NOK 1.90 in 2024. This is primarily because we delivered 433 units in 2025, compared with 532 in 2024, and the lower volume naturally results in reduced earnings.

Turning to segment reporting using NGAAP, we believe this provides the most accurate picture of the business, in other words, the underlying performance of our Norwegian operations. We use the percentage-of-completion method, and it is also the basis on which management monitors performance. This method, which is pro forma, takes all projects, including our share of joint ventures, under construction and multiplies their sales percentage by their completion percentage to calculate a recognised revenue rate.

Revenue is thus recognised continuously throughout the production and sales phases of our projects. For the fourth quarter, revenue under this method was NOK 984 million, with a margin of 14%. This is after overhead costs, and demonstrates solid project margins in the developments currently under construction. On a rolling 12-month basis, revenue was NOK 3.3 billion with a margin of 12%.

Let’s look a little at cash flow. We entered the quarter with NOK 201 million in cash. The main items during the quarter were positive cash flow from operations of NOK 255 million, driven by the large number of units delivered and the resulting reduction in inventory.

We also recorded positive cash flow from investing activities of NOK 63 million. This reflects loan repayments from joint ventures and the sale of a 5% stake in a joint-venture company during the quarter.

The principal negative cash flow item was financing activity, primarily the repayment of construction loans. Given the high level of deliveries, it is natural to use the associated cash to reduce borrowing.

Net cash increased by NOK 54 million during the quarter, leaving us with NOK 255 million in cash at period end.

Looking at the balance sheet, there were no major changes from the previous quarter. Total assets stood at NOK 6.8 billion. We maintain a solid equity ratio of 35.4%, corresponding to a book value per share of NOK 25.60.

Inventory decreased by NOK 87 million, while other receivables remained broadly unchanged. Cash rose by NOK 54 million, as mentioned earlier.

Prepayments from customers now total NOK 37 million and are included within other current liabilities.

It is worth noting that the proposed dividend of NOK 1 per share, approximately NOK 94 million, is not included in the balance sheet at this stage and will only be recognised upon payment in the second quarter.

Looking at inventory, it remains broadly in line with the previous quarter. The land value increased by NOK 18 million to NOK 500 million, mainly due to capitalised interest during the period. Work in progress declined by NOK 145 million, due to the high number of deliveries, which reduces inventory.

Finished goods inventory units increased by NOK 41 million, as several projects were finalised in the fourth quarter and some were naturally unsold. At the end of the quarter, we had 45 unsold completed homes, compared with 81 at the same point last year, a significant decline. We had 38 at the end of the third quarter. In addition, 22 completed units were sold during the quarter and will be delivered shortly, mostly in the first quarter. We are therefore very comfortable with the level of completed inventory and have no concerns, given the locations and the supply of the homes for sale in our markets. We expect them to be sold in the coming quarters.

An annual external valuation has been conducted on the land plots carried on our balance sheet. We hold several land assets that for various reasons have not been sold to Urban Property, primarily due to planning status, including some property without planning approval. These plots are recorded at NOK 501 million in our accounts, while the external valuation indicates a market value of NOK 678 million, an uplift of NOK 177 million, equivalent to approximately NOK 1.90 per share. These are future projects with significant added value.

Looking at our debt, total interest-bearing debt is NOK 3 billion, slightly down from NOK 3.2 billion last quarter, mainly due to construction loan repayments. Of this, the major item is approximately NOK 2.3 billion in construction loans, while debt to Urban Property is NOK 730 million, related to seller credits and deferred payments. We also have some land-related financing for our NOK 500 million in land plots, with debt of NOK 33 million attached. There have been no changes to the terms of these loans, and we have not drawn on any of our revolving credit facilities.

Net interest-bearing debt at the end of the quarter was NOK 2.8 billion, down from NOK 3 billion in the previous quarter.

Let’s look at dividends. Selvaag Bolig has delivered strong shareholder returns since its listing in 2012. Our dividend policy is to distribute at least 60% of annual net profit to shareholders, while also taking liquidity and future prospects into account. The Board is proposing a dividend of NOK 1 per share for 2025, corresponding to approximately 70% of net earnings.

We are very pleased that we have successfully navigated what has been a weak newbuild housing market for the past three to four years. We are now beginning to see improvement, and throughout this period we have safeguarded our liquidity. This places us in a position to pay a dividend for 2025, which we are naturally very satisfied with.

Looking at our historical shareholder returns, we have generated approximately NOK 62 per share since listing and distributed a total of NOK 57 per share, representing about 92% of cumulative earnings. This figure also includes extraordinary transactions, such as the Urban Property deal completed in 2020.

We continue to have the goal of delivering solid returns, and the outlook is supported by the strong start we have had this year, with sales of NOK 1.8 billion and construction already commenced on 166 units which will give us results in 2027.

Finally, let us consider return on equity. It has been under pressure over the past 12 months, largely due to the housing downturn that began in 2022, when activity slowed significantly. We have had some challenging years, and the impact shows up now when we have fewer deliveries in 2024 and 2025. Over the last twelve months, Selvaag Bolig has generated earnings of NOK 133 million, divided by the starting equity, which corresponds to a return on equity of approximately 6%. We expect this figure to increase through 2026 as we complete around 688 units, which should naturally support higher profitability.

That concludes the financial review. Sverre will now provide an update on the market.

Market
Sverre Molvik, CEO
Let us begin by looking at the imbalance or balance between supply and demand in Oslo.

The story has been largely unchanged in recent years: far fewer homes are being completed than the market requires. Estimated housing need in Oslo is around 3 950 units annually. This figure has declined since the previous report because the forecasting model extrapolates the homes needed from the number of homes completed in recent years, so somewhat counterintuitively, the fewer homes that are built, the lower the projected future need. In reality, this is not especially relevant for Oslo. Demand remains strong, but the city's limited capacity to give planning approval and execute housing developments constrains both population growth and housing supply.

So there is still a gap. Only 1 368 homes were completed in Oslo last year, and approximately 2 150 are expected this year, although actual numbers tend to fall below such estimates. The outlook for future years may also prove optimistic, as it remains extremely difficult to initiate new projects due to insufficient planning approval and limited land releases, particularly in areas where projects are financially viable.

In short, there remains a significant gap between supply and demand or between completions and needs in Oslo.

Akershus shows a similar pattern. Estimated future demand has been revised down using the same methodology because fewer homes have been completed recently. The estimate last quarter suggested a need for around 5 400 units; this has now been revised to roughly 4 800.

About 4 600 completions are projected this year, which would broadly align with demand. If the forecasts for completions of 5 100 for 2027–2028 prove accurate, completions could possibly exceed demand then. However, Oslo and Akershus must be viewed together, so we show this slide (*25*). Combined, the estimated need is approximately 8 750 units, and total completions are still expected to fall short, although the gap may narrow somewhat in 2027–2028.

Overall, the structural housing shortage has been building for several years. Unless meaningful policy changes occur, it is likely to remain difficult to launch a large number of new developments. Many districts in Oslo are simply not financially viable for residential construction at present.

Turning to Bergen, the picture is broadly similar. Future demand estimates have been reduced, yet very little is being built. As in Oslo, this reflects insufficient planning approval, although I must say the situation is improving. Bergen has made better progress in facilitating development, and we are seeing more projects approved, something that benefits us directly. Supply in the newbuild market remains very low.

Stavanger, by contrast, has gathered momentum from previously very subdued levels. The estimated future need there is 1 400 units. Following the oil downturn, very few homes were built, creating substantial pent-up demand. As oil prices recovered, consultants and workers returned to the region, driving strong population growth. This has made it viable to develop larger projects, and completions may even exceed the technical estimate of housing need. However, these estimates do not always reflect actual demand. In Stavanger, demand is currently very strong precisely because of this accumulated need and the influx of workers, particularly in the energy sector.

If we look at the year, in 2025, supply was low, just under 1 000 units were available in Oslo at the beginning of the year, while about 1 800 newbuilds were supplied during the year and slightly fewer were sold. This suggests a modest improvement in newbuild supply heading into 2026. Akershus shows a similar pattern, somewhat higher supply, though sales have trailed completions.

In Bergen, more homes have been sold than supplied, leaving supply extremely tight at roughly 575 units. Trondheim continues to have relatively high supply, yet sales have been solid relative to population size, with over 1 100 units sold. In Stavanger, sales have broadly matched new supplies.

Looking at the “homes per 1 000 inhabitants” indicator, a useful measure of supply relative to population, Oslo remains at a low level despite some recent improvement, at 1 February with 1 300-1 400 units or roughly 1.9 units per 1 000 residents. The supply side in Akershus has remained stable at around 5 to 5.5 units for several years, indicating a healthier balance with a good supply side.

Bergen is very low, comparable to Oslo, relative to the population. Trondheim offers strong availability and a buyer’s market, while Stavanger sits somewhere in the middle, still not a particularly high level of supply relative to population.

The second-hand market is a useful indicator to monitor. Last year, particularly in Oslo, was characterised by a large number of rental flats being placed on the market. Now, however, supply appears to have returned to more reasonable levels. It is still somewhat early to draw firm conclusions about how this will develop: we do not yet know how much rental stock remains to be released or whether enough has already been sold.

Rental prices have risen sharply, as you have likely seen in the press the last few days, and this trend may continue. It could become increasingly attractive for owners to retain these properties and let them rather than sell, but we will have to see how the situation evolves. This is mainly an Oslo situation, where the supply side is higher.

In Akershus, the supply of second-hand homes is declining, which is positive when viewed against demand for new housing. Stavanger and Bergen are experiencing record-low supply levels, something we are clearly noticing through our strong sales activity there, although our sales launches have also gone well in Akershus and Oslo. Demand and sales are also very robust in Bergen at present, which is hardly surprising given the limited supply. The same applies to Stavanger.

So what has this meant for house prices in 2025? Looking at price developments over the past year, residential prices in Oslo rose by 3.4%, which was relatively weak. The price growth was lower than what many experts had been expecting. The main reason appears to be the surge in rental properties entering the market, which temporarily increased supply.

Bergen has seen strong price growth, closely aligned with its constrained supply, and the same applies to Stavanger which also recorded solid price increases. Trondheim remains more subdued, largely due to its comparatively high supply.

So far this year, Oslo has started at a fairly typical pace, not particularly strong. There is a seasonal pattern, and January is usually a strong month, and the first half of the year tends to be the most active period for house price growth.

Bergen has begun the year very strongly and it has been strong for three years with a low supply side for three years. Trondheim is showing moderate growth, while the Stavanger region continues to perform well, supported by population growth and limited housing supply.

Looking at the portfolio, we frequently highlight our ongoing projects. We have several large development areas underway, providing substantial volume and supporting our long-term pipeline. At Snøbyen in Lørenskog, we are continuously launching projects once sufficient sales are secured to finance construction. We have a Pluss project there now.

For example, at Landås (*Asker*), similar to that development, we currently have one project under construction and a Pluss project in sales that is expected to commence construction shortly.

At Skårerbyen, where we have already developed several phases, construction has begun on the last phase comprising 122 units, on the last land plot as we are winding up there. We have built 1 100 units there in record time since 2020.

In Bergen, our Solheimsvannet Pluss development is progressing well, and several further projects will follow. At Solbergskogen in Ski, also a Pluss project, and it is selling strongly, and we will launch another phase in the autumn when existing lease agreements in the current buildings expire. The market is strong enough to launch it now if we could.

At Sandsli in Bergen, we have 1 200 units in the pipeline with more than 500 units being Pluss units. Many have been sold and several projects are already under way.

As we said earlier, we have sold NOK 1.8 billion so far this year, largely driven by the projects just mentioned, and their sales starts. One example is the Telekvartalet, our former head office site, which took nearly ten years to secure planning approval. The project comprises around 180 flats; we released the first 90 and sold 66 within a few weeks, an excellent start. Construction is expected to begin, and sufficient sales have been achieved, although timelines depend on public proceedings, which can be slow.

In Ski, the Rådhushagen project, originally developed with a partner before we acquired full ownership in the fourth quarter, has also launched successfully. We have sold 29 units of about 60 so far, and the first phase consists of 89 flats that we expect to start construction on early in Q2.

In Stockholm, Terrasskvarteret Pluss is a highly attractive project located in Norra Djurgårdsstaden, a strong residential area and a great location. Interest has been exceptional: more than 250 prospective buyers attended the crowded sales opening. Stockholm residents really like our Pluss concept. Sweden operates a reservation process that takes longer than in Norway, but as of last night we had sold 33 units, with another 15–20 contracts currently being signed, bringing the effective total close to 50. This is a very strong result, and the project is expected to proceed to construction once final public approvals are obtained in Q2.

At Sandsli in Bergen, where we already have two projects under construction, we have agreed to sell 96 units to an investor, enabling construction to begin this week. The first phase comprises 206 flats, and another phase will be launched shortly.

Overall, sales activity across our regions indicates that underlying demand remains very solid despite higher interest rates and the broader economic environment. Ironically, rising rents may even be supporting demand for new homes, although not the political intention, as letting property is becoming sufficiently profitable that some buyers are now find it attractive now.

Let us now look at the projects in the pipeline, which I believe are very exciting. We are beginning to gain confidence that planning approval will be secured at Fornebu for the first major development, around 500 units within a broader area of approximately 2 000 homes. Approval is expected in February or possibly March, which would allow us to launch the project in the market during the first half of the year. This is particularly important, as it provides a new large-scale development that will underpin our baseline activity, which we often refer to as our “threshold volume”.

At Mellomåsveien (*Nordre Follo, Greater Oslo*), which we bought last year, we plan to launch a substantial multi-phase project comprising both Pluss units, terraced homes and some ordinary homes.

At Lilleaker in Oslo, planning approval is also expected to be finalised this quarter. This is a bit more “high end”, and while there are still uncertainties related to public proceedings, we hope to bring the project to market this year.

Bjerke (*Oslo*) is another major development, although it has a longer timeline and is not expected to be fully approved for planning and ready for sale until 2027.

In Fredrikstad, we have a large joint venture project covering roughly 2 000 homes. Around 1 300 units have already received planning permission, but further elements must be resolved, including development agreements and responsibility for significant existing structures like cranes on the site that require maintenance and safety measures. These matters take time, so we will see whether the first phase is launched this year or next.

Høyden in Moss is another large joint project from 2024. We have made very good progress, and although it was originally planned for 2028, it now appears increasingly likely that it could be brought forward to 2027. Recent clarifications with the County Governor regarding sequencing requirements have strengthened this outlook.

We also have a number of exciting projects moving forward in Stockholm. I will not go into detail today, as processes there typically take longer, but overall we have a very strong pipeline.

That concludes my update.

Outlook
Sverre Molvik, CEO
What does this mean for the future and our crystal ball?

The outlook is positive for Selvaag Bolig. We have many exciting projects. Fundamentally, there is a significant underlying housing need, and therefore strong demand compared to supply in the areas where we operate. This provides reassurance.

So far this year, we have recorded historically high sales of NOK 1.8 billion and commenced construction on 166 units, positioning us for higher completion volumes in 2027. This supports both earnings visibility and future dividend potential for our shareholders.

Our order backlog currently stands at 1 078 units as of 12 February.

We are also seeing improving conditions in Sweden. Interest rates have declined, with the Swedish policy rate at 1.75%, and regulatory changes to mortgage requirements, approved this week and effective from 1 April, will ease the amortisation requirements. Buyers may, for example, be able to take interest-only loans and contribute less equity, making home ownership more accessible. This is particularly positive for our projects outside central Stockholm, ordinary flats like we have in Barkarby. Encouragingly, we are already seeing strong demand in central Stockholm.

We maintain a substantial land bank with many projects and, importantly, the financial capacity to acquire additional sites, something we intend to continue doing. So there are a lot of positive elements for us to run our business well.

Summary

Sverre Molvik, CEO

In summary, we had a good result for the year following several challenging years for the industry. Despite what has effectively been a perfect storm over the past four years, we delivered solid sales in the fourth quarter and NOK 3 billion for the year. As mentioned, the first six weeks of this year have produced an excellent start, with NOK 1.8 billion in sales.

We currently have a good order backlog of approximately NOK 7.8 billion, up from NOK 6.6 billion, and we plan to continue expanding it. We have bought land and plan to buy more. The Board has therefore proposed a dividend of NOK 1 per share.

That concludes my remarks, we are now happy to take questions.

Q&A Session

Herman Caspersen, ABG Sundal-Collier

You have been quite specific about when potential planning permission approvals can come, with sales starting in the first half of 2026. Assuming approvals proceed as you expect, can you be more precise about when these homes might be launched? Are we talking about the end of the first half, or could it come some months earlier?

Sverre Molvik, CEO

On a large site such as Fornebu, where approximately 470 units are included in the planning approval, a Pluss project and an ordinary project. We typically run design work in parallel with the planning process and submit the framework application while planning permission is under way. However, the timeline ultimately depends on the approval itself and whether amendments are required. Because there are so many technical details to resolve, this can sometimes add one or two months to the schedule.

When submitting an application, you cannot simply draw an open-plan layout, everything must be fully designed and engineered in advance. That is why the process can take time. What we typically do is to start sales the day we submit the framework application. That is what we have done for Telekvartalet.

However, once submitted, you receive feedback, and there is always a risk that the authorities will say the plans are not quite acceptable as drawn. The project may have to be modified or partly redrawn. That is why it is difficult to be very precise about timing, particularly given how unpredictable the planning process has become in Norway. Generally speaking, it works reasonably well, but in cities such as Bergen and Oslo it can be challenging. I should add that Bærum is actually very efficient.

That may sound like a long and somewhat vague answer, but we push every day to move things forward as quickly as possible. If planning approval is secured in February, we would hope to launch in May. Beyond that, we cannot promise anything, as feedback may require redesign work. You cannot take excessive risk with a sales launch; you must be confident that everything will comply with the planning approval. Otherwise, you could find yourself cancelling all pre-sales, which would be both costly and damaging for the company and its shareholders.

Herman Caspersen, ABG Sundal-Collier
Thank you. There was a slightly higher revenue contribution from other income this quarter. What drove that?

Christopher Brunvoll, CFO
It relates primarily to a catch-up on billable project management throughout the year. We have also seen somewhat higher revenues from the Pluss service centres, partly because more projects have been completed and therefore require chargeable after-sales services. But the main bulk is from project management income that is more one-off in nature.

Herman Caspersen, ABG Sundal-Collier
Thank you. Last question. Regarding the dividend, the payout ratio has been somewhat higher in recent years. Could you elaborate on the considerations behind proposing NOK 1 per share?

Sverre Molvik, CEO
It is largely about future prospects, confidence in our liquidity, and the uncertain environment we are currently operating in. Fundamentally, we are a conservatively run company, and one could argue that paying a dividend at all is a sign of strength in the present climate.

We are nevertheless proposing it because we are in a very solid financial position and are comfortable that it is the right decision. We have not drawn on any of our credit facilities and remain strongly capitalised. There is no particular science behind the exact figure, NOK 1 simply felt like an appropriate and balanced amount. For comparison, paying NOK 0.95 would have sounded a bit strange. Round numbers are fine!

Herman Caspersen, ABG Sundal-Collier
Nice, thank you.

Online question
Comparing the Telekvartal project with Terrasskvarteret, it appears that Oslo buyers prefer smaller flats, whereas in Stockholm there is strong interest even in larger, more expensive homes. How do you view the similarities and differences between the two markets?

Sverre Molvik, CEO
That is a very good observation. It highlights one of the key differences between the markets. In this Stockholm development, the price per square metre is actually higher for the large 140-square-metre flats than for the smaller ones. Swedish developers have generally been better at adapting supply to market demand, resulting in a healthier balance, particularly in this segment.

In this specific district, there is too little supply of larger flats, whereas Oslo continues to see significantly higher sales of smaller units. This is partly due to planning policies: politicians have sometimes favoured larger dwellings, while the market clearly demands smaller ones, especially considering that around 50% of Oslo households consist of a single person. That was a good observation and there are too few small flats in Oslo. In Stockholm it is the opposite, it is hard to get as many large flats at Terrasskvarter as we would have liked.

Online question
There appears to be a potential gap in Sweden for sales starts until 2027–2028. Is this due to planning permission issues, or market conditions?

Sverre Molvik, CEO
It is due to planning permission for the land plots we have. Many of our land allocations have options. Once municipalities have completed their part, including infrastructure development, some option agreements must still be finalised. Many of these were negotiated when land prices were higher than they are today, so they are being renegotiated. In some cases, municipalities may also delay their own work, which can extend timelines.

It is possible that some projects will come forward earlier than currently expected, but we prefer not to rely on that assumption. That said, I do believe a few projects could begin as early as 2027.

Moderator
There are no further questions, thank you for your attention today.