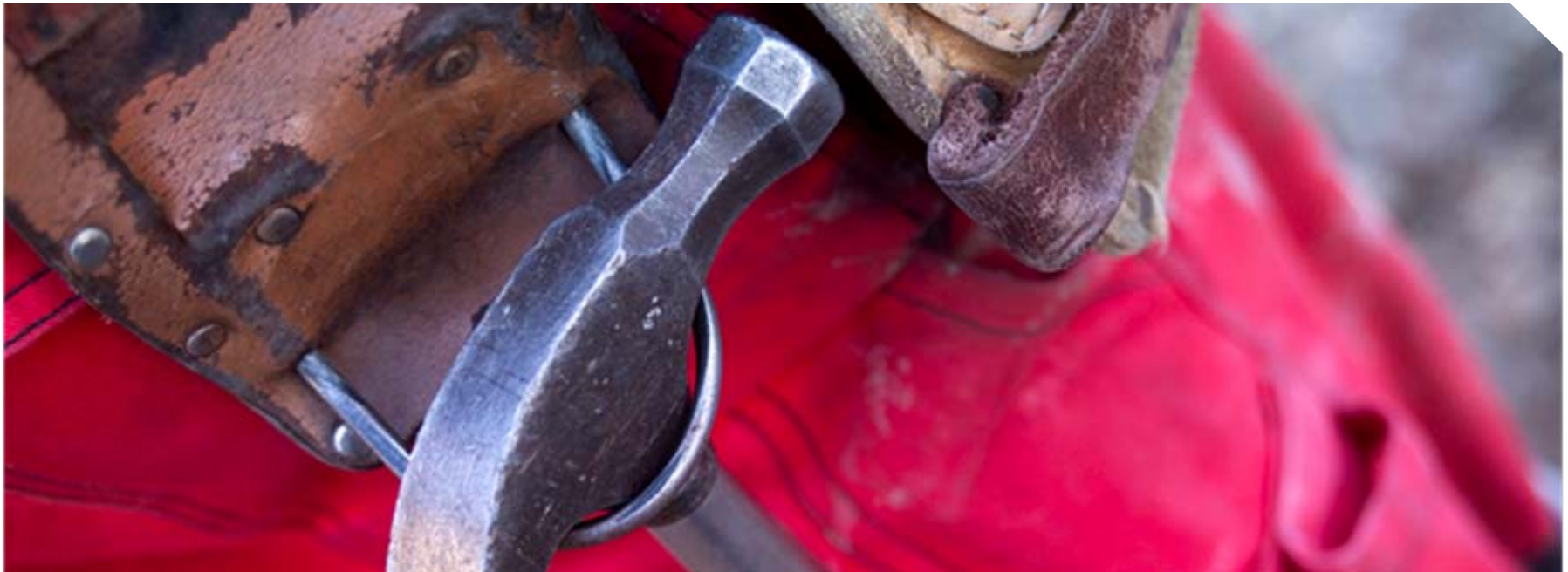


Presentation Q3 2006

7 November 2006

Lars Nilsen, CEO



Q3 2006 highlights: Strong key figures

	Q3 06	30.9.06
Revenue	(2.4%) Y/Y	(1.1%) Y/Y
EBIT growth	6.3% Y/Y	9.1% Y/Y
EBT growth	11.6% Y/Y	16.1% Y/Y
New orders growth	(4.8%) Y/Y	7.0% Y/Y
Order backlog		14.4% Y/Y

- EBIT margin 14.5%
- EBT margin 12.2%
- Order backlog NOK 980 million

Key figures Q3 2006:

Improved profit and margins

(NOK million)	Q3 06	Q3 05	30.9.06	30.9.05	2005
Operating revenue	355	364	1 083	1 094	1 492
Operating costs	304	316	926	951	1 283
EBIT	52	49	157	144	210
EBT	44	39	135	116	172
EBIT margin	14.5%	13.3%	14.5%	13.1%	14.0%
EBT margin	12.2%	10.7%	12.4%	10.6%	11.6%
Cash flow from operations	18	32	52	(26)	144
New orders	327	344	1 259	1 177	1 512
Order back log			980	867	807
Earnings per share (NOK)	0.70	0.70	2.28	2.09	3.11
No. of employees			605	566	561

Profit and loss by category:

Increased in "Residential projects and Property Sales"

(NOK 1 000)	Q3 06	Q3 05	30.9.06	30.9.05	2005
Residential project development					
Revenues	314 246	316 022	934 629	922 262	1 259 443
Gross contribution margin	31.4%	30.8%	32.0%	30.1%	30.4%
Residential construction for individual customers					
Revenues	19 571	23 597	64 332	87 908	121 429
Gross contribution margin	27.9%	34.0%	29.6%	32.3%	31.7%
Property sales with commitment to construction					
Revenues	16 077	18 217	54 276	54 960	70 351
Gross contribution margin	35.2%	32.7%	35.1%	33.0%	34.5%
Construction for professional clients					
Revenues	7 721	4 948	25 988	26 035	31 898
Gross contribution margin	22.8%	33.5%	23.6%	29.0%	28.6%
Total					
Revenues	355 433	364 231	1 082 637	1 094 394	1 492 144
Gross contribution margin	29.5%	29.3%	30.3%	29.2%	29.2%

Summary balance sheet:

Increased equity and reduced debt

(NOK million)	30.9.06	30.9.05	2005
Intangible assets	826	826	826
Fixed and financial assets	36	38	36
Current assets	1 267	1 228	1 233
Cash and liquid assets	88	69	129
Total assets	2 217	2 163	2 224
Shareholders' equity	655	368	408
Int. bearing debt	766	1 112	998
Other liabilities	796	683	818
Total equity and liability	2 217	2 163	2 224
Net interest bearing debt	678	1 043	869

Working capital:

(NOK million)	30.9.06	30.9.05	2005
Land and projects under construction	930	842	919
Trade receivables and other current receivables	337	386	313
Liabilities related to land and projects	(383)	(363)	(357)
Trade payables	(85)	(70)	(105)
Net working capital	799	795	770

Net working capital on level with 30.09.2005.

Equity:

Changes in equity – consolidated

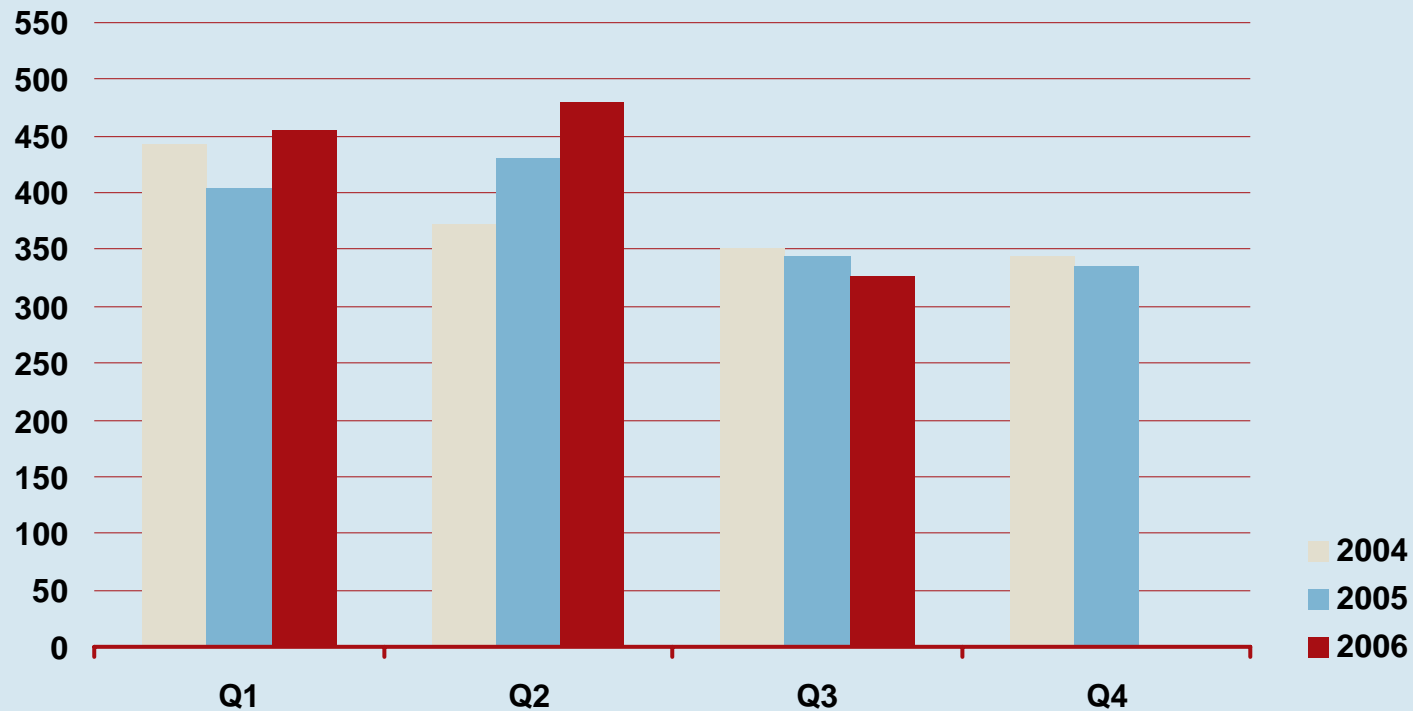
(NOK 1 000)	Q3 06	Q3 05	30.9.06	30.9.05	2005
Net dividends and group contribution to shareholders		0		(164 117)	(164 117)
Corrected for pro forma adjustments	0	3 025	0	9 075	0
Conversion differences	251	1 500	170	2 189	234
Net charged equity	251	4 525	170	(152 853)	(163 883)
Net new equity connected to the IPO	0	0	164 554	0	0
Costs connected to the IPO	0	0	(20 654)	0	0
Profit of the period	31 316	28 068	102 775	83 533	124 564
Total changes in equity in the period	31 567	32 593	246 845	(69 320)	(39 319)

Cash flow:

(NOK million)	Q3 06	Q3 05	30.9.06	30.9.05	2005
Net cash flow from operations	18	32	52	(26)	144
Net cash flow from investments	(2)	(2)	(5)	(6)	(3)
Net cash flow from financing	(9)	(54)	(88)	35	(78)
Net change cash and cash equivalents	7	(24)	(41)	2	63
Cash and cash equiv. by start of period	81	93	129	67	67
Cash and cash equiv. by end of period	88	69	88	69	129

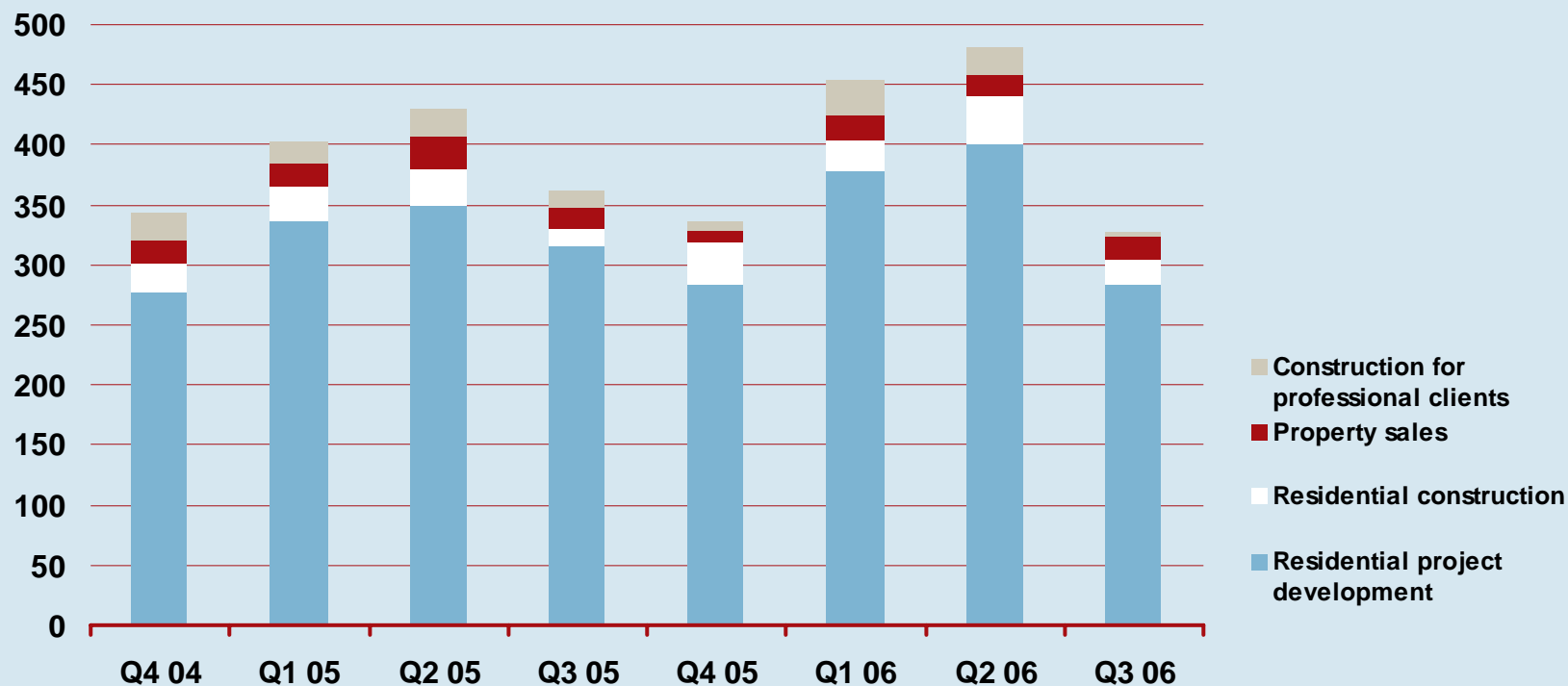
In addition to cash and cash equivalents reported, the group has NOK 164 million in free credit lines. Total credit lines for land loans, construction loans and guaranties were increased with NOK 315 million during 3rd quarter, and amounts to NOK 2 140 million. NOK 1 199 million were drawn by 30.09.2006.

New orders: Orders total per quarter



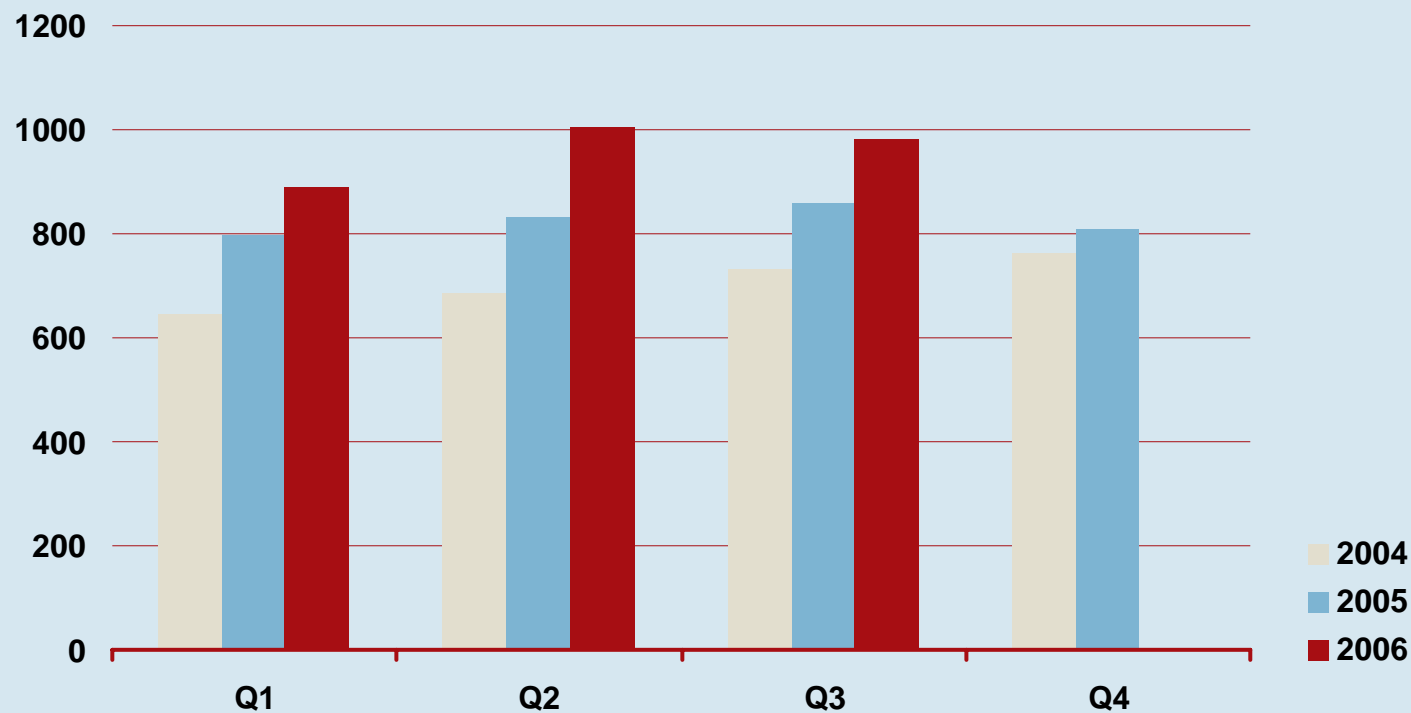
New orders third quarter 2006 – NOK 327 million. Controlled reduction of order intake in third quarter to balance order backlog with production capacity.

New orders: Orders per project category



New orders third quarter 2006 – NOK 327 million, reduction of 4.8 % compared to third quarter 2005. Per 30.09.2006 total new orders are 1 259 million (1 177 million), an increase of 7%.

Order backlog: Fundamental for future production



Order backlog third quarter 2006 is NOK 980 million. A reasonable level for healthy balance of production. Up 14.4 % compared to third quarter 2005.



Shareholder information per 6 November 2006

10 largest shareholders	% total
Lani Development AS	33.33%
Lani Industrier AS	16.80%
Morgan Stanley & Co (NOM)	3.84%
Pareto Aksje Norge	3.81%
Bank of New York, Br	2.57%
GMO Foreign Small Co	2.46%
Vital Forsikring ASA	1.97%
Bank of New York, Br (NOM)	1.97%
Verdipapirfond Odin	1.93%
AG Invest AS	1.90%
Share 20 largest shareholders	82.06%
Share 39 int'l shareholders	20.80%
Share 161 employees	0.33%



Recruiting of production staff: 35 new carpenters and apprentices

- 395 carpenters and apprentices
- Net increase of 35 carpenters in 3rd quarter
- Net increase of 5 project and building mgrs in 3rd quarter
- Recruiting backed by strong sales and order backlog



Outlook:

Market situation

- Residential construction in Norway
 - Positive outlook for 2007-2008
 - Positive demand for “affordable homes” – Block Watne products
 - Still pressure on subcontractors and production staff



Outlook:

Block Watne Gruppen

- Expected year end revenues to be in line with year end 2005
- Expected improved year end EBIT margins compared to 2005
- Increased production staff and project management secure growth in 2007-2008
- Continued focus on quality and profitability in projects, combined with profitable long-term growth in revenues
- Solid order backlog backing growth

Welcome back

Capital Markets Day – 10 January 2007

4th quarter 2006 – 21 February 2007



Q & A ?

