

Interim report January 1 – September 30, 2013

Peter Wågström
President and CEO

Ann-Sofie Danielsson
Chief Financial Officer

Motala Bridge, Highway 50

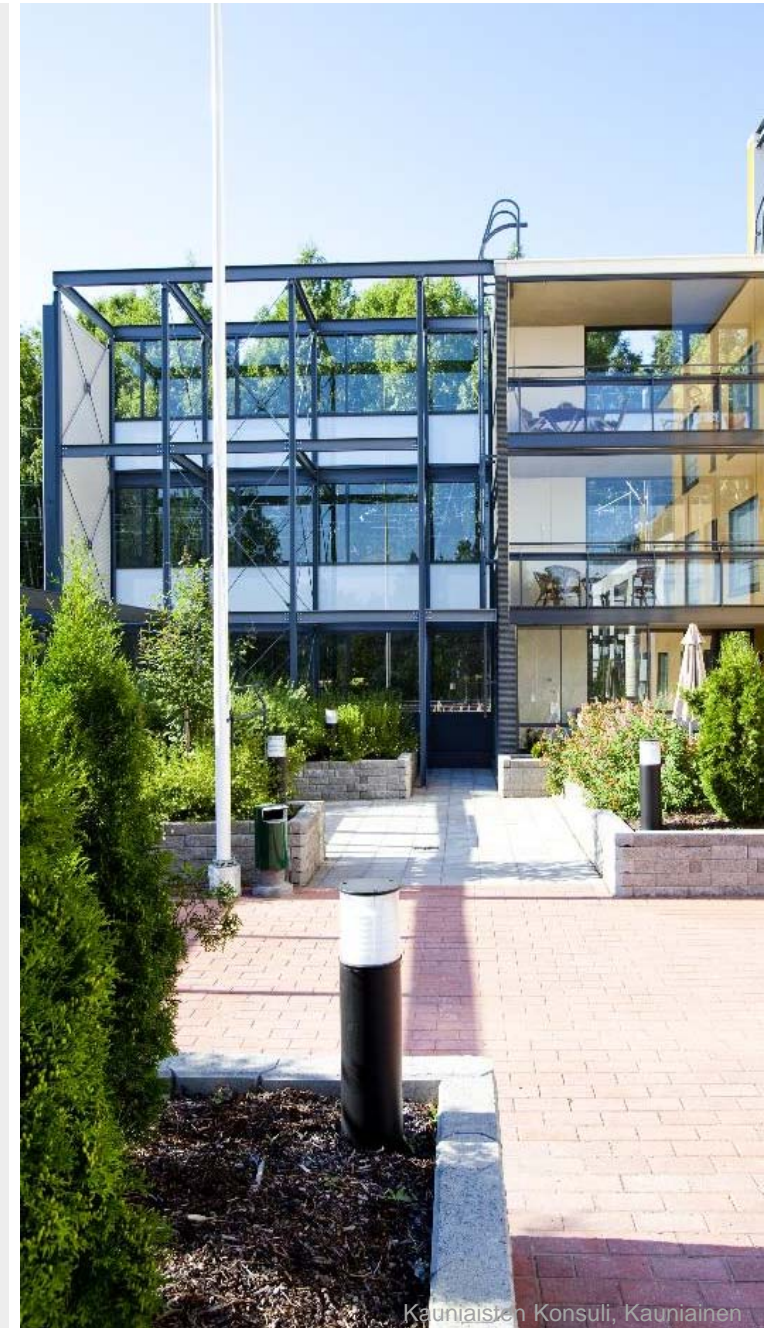
Q3 in brief

- Orders received: SEK 13,143 M (13,160)
- Net sales: SEK 13,129 M (13,765)
- Order backlog: SEK 51,065 M (48,548)
- Operating profit: SEK 823 M (814)
- Cash flow before financing:
Negative SEK 227 M (negative: 492)



Jan-Sep in brief

- Orders received SEK 42,617 M (40,336)
- Net sales SEK 36,749 M (38,157)
- Operating profit: SEK 1,332 M (1,187)
- Cash flow before financing:
negative SEK 2,579 M (negative: 3,913)



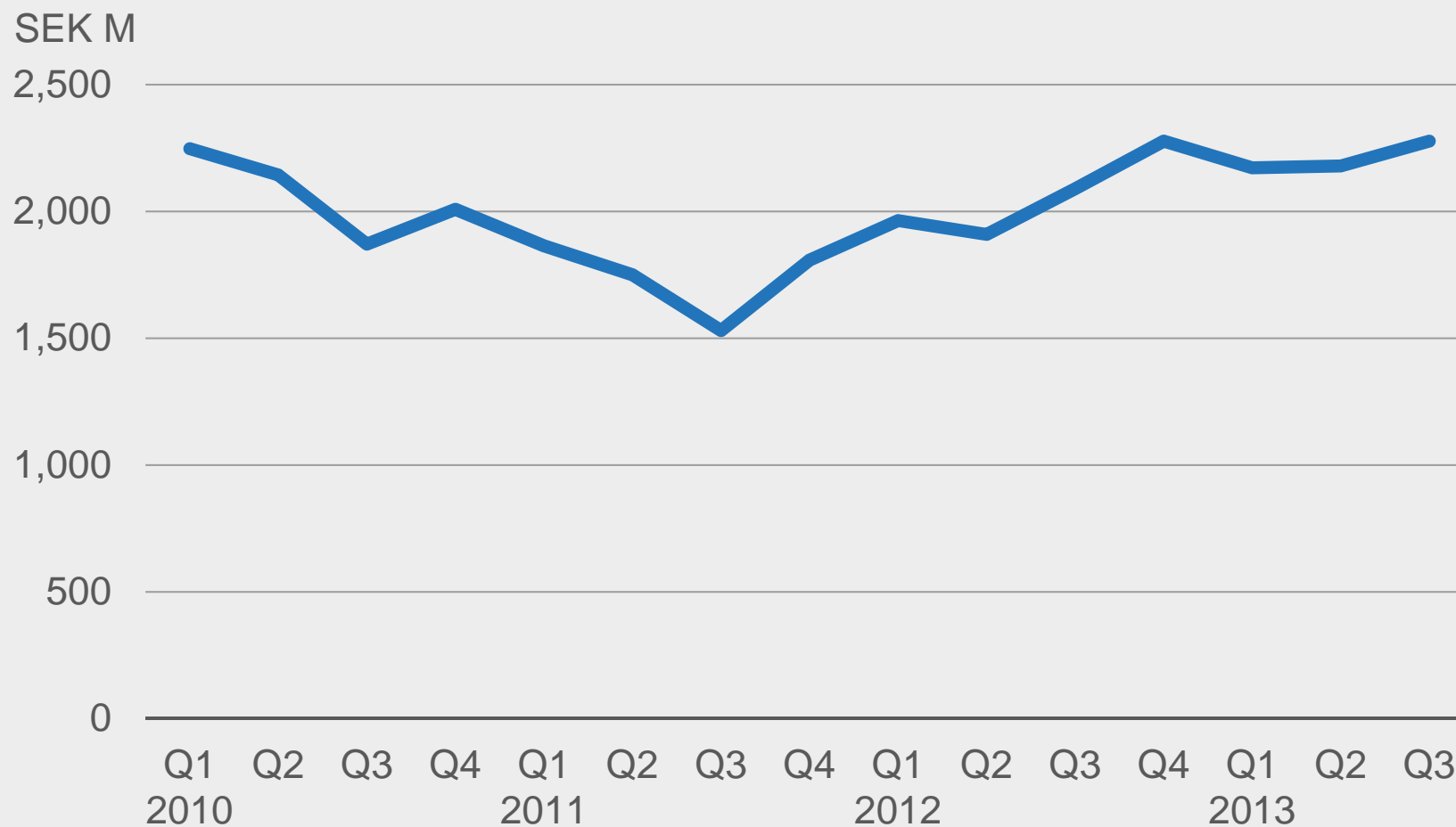
Intensified seasonal pattern...

Profit/loss after financial items



...but stable earnings trend

Rolling 12 months



NCC's Construction units

Market

Q3/2013

- Demand slackened in the first six months of the year - slow recovery from the end of the second quarter
- Improvement during the second half of the year; full-year in line with 2012

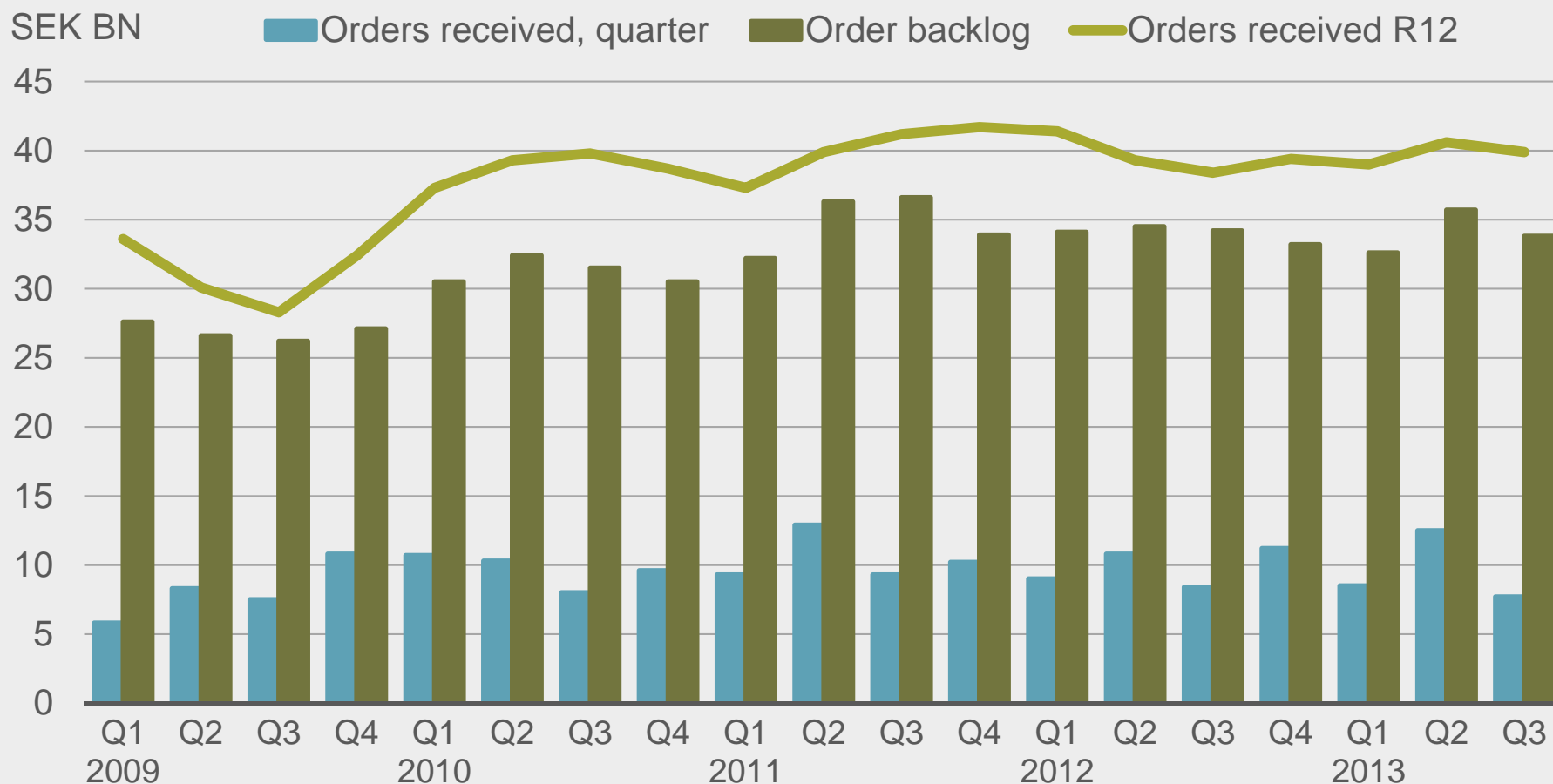
2014

- Slight growth in Nordic construction market
- Strongest performance in the Norwegian and Swedish markets, weaker in Finland



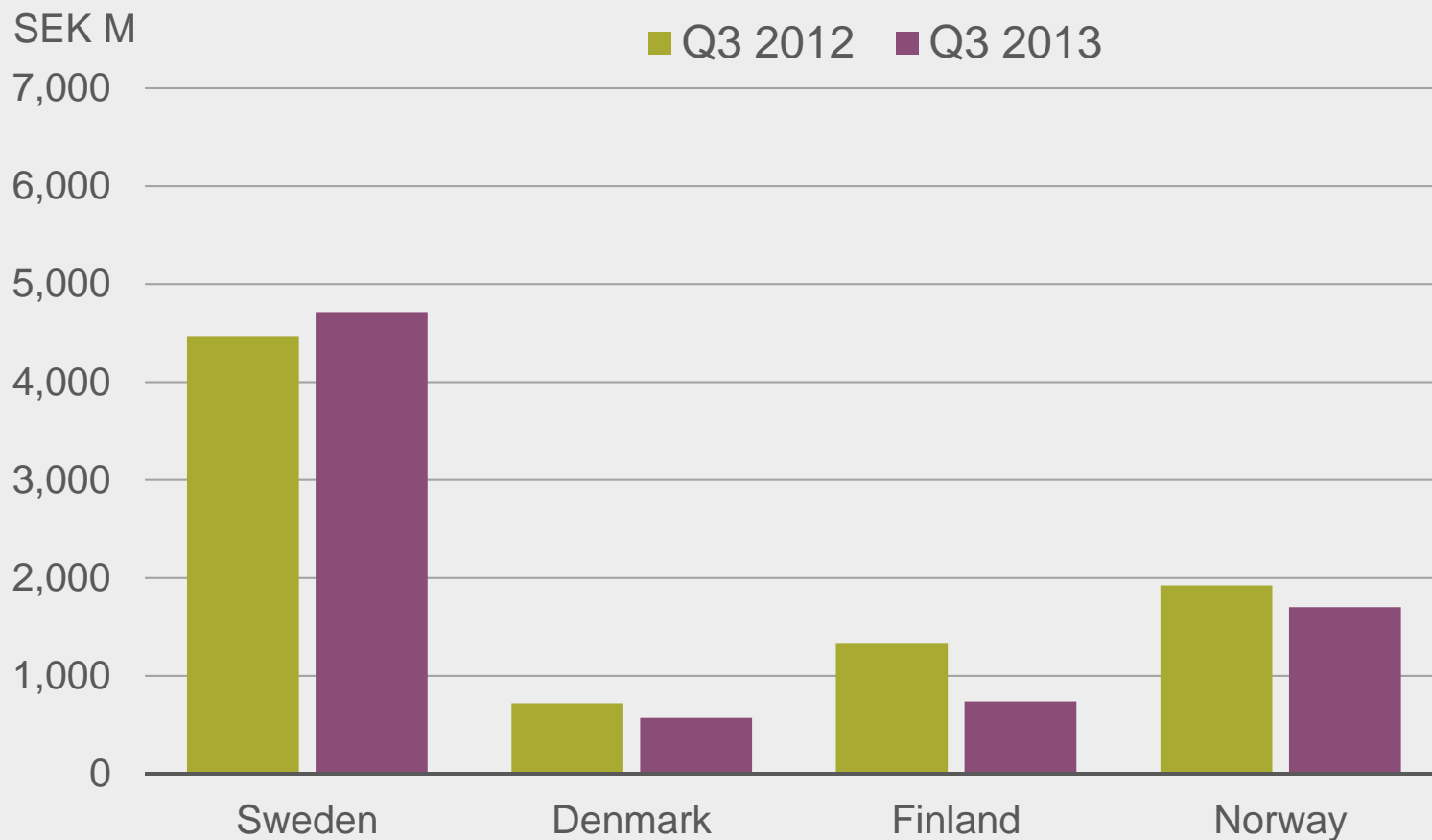
Orders received and order backlog

– *NCC's Construction units*



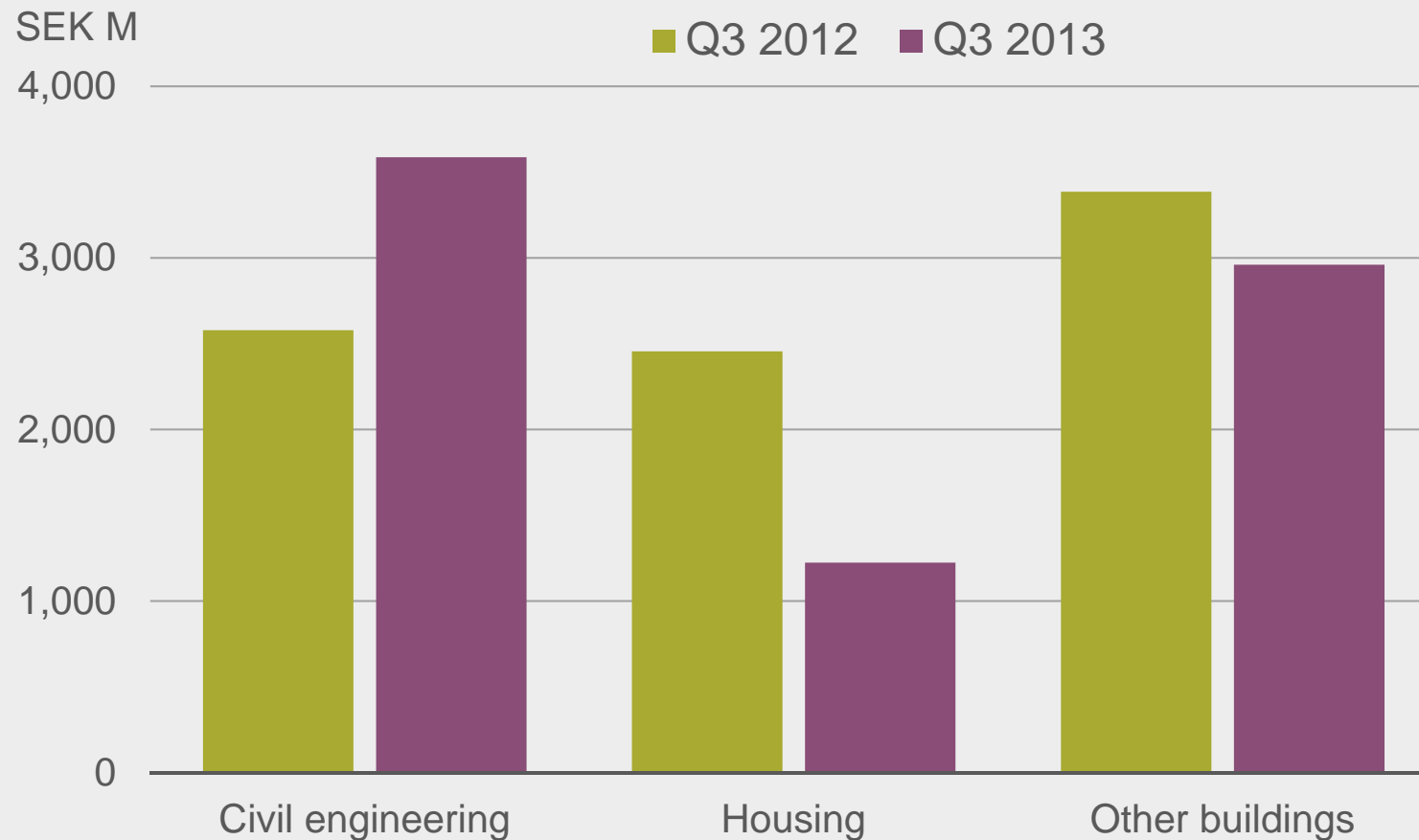
Orders received increased in Sweden

Orders received by NCC Construction units



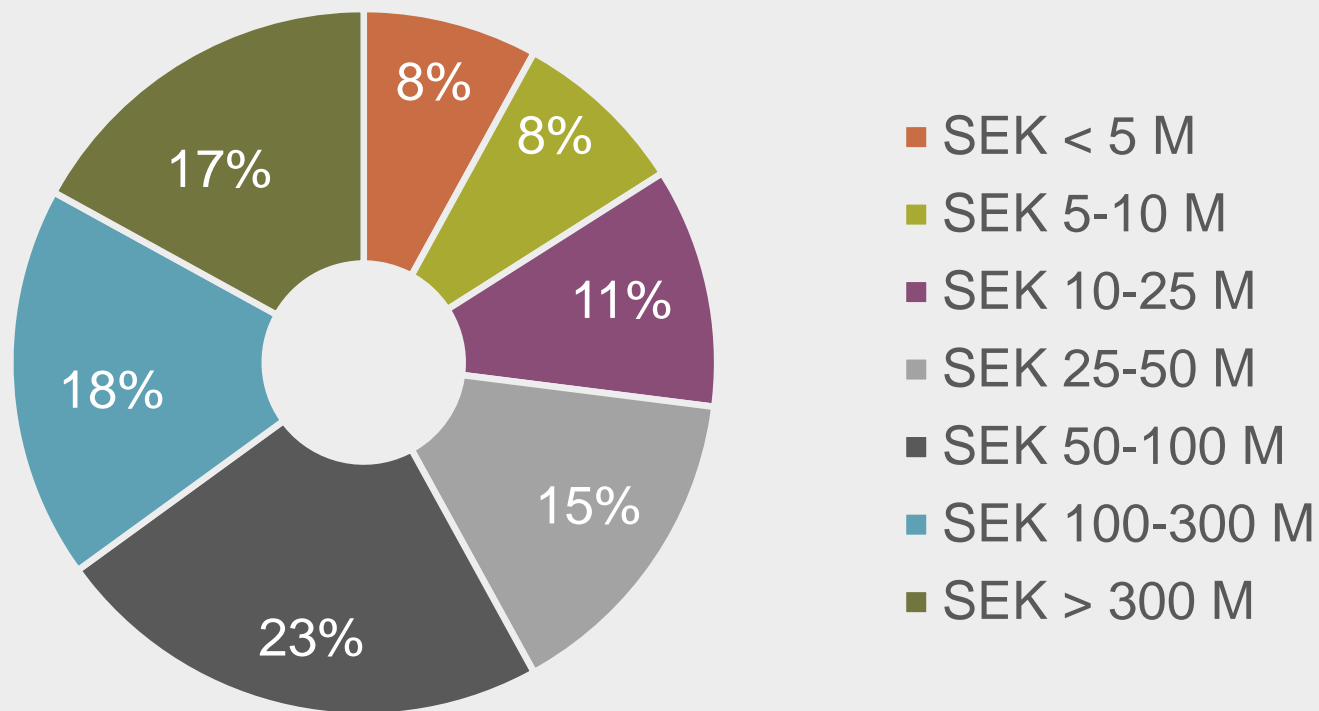
Increase in civil-engineering segment

Orders received by NCC Construction units



Favorable distribution between small and large projects

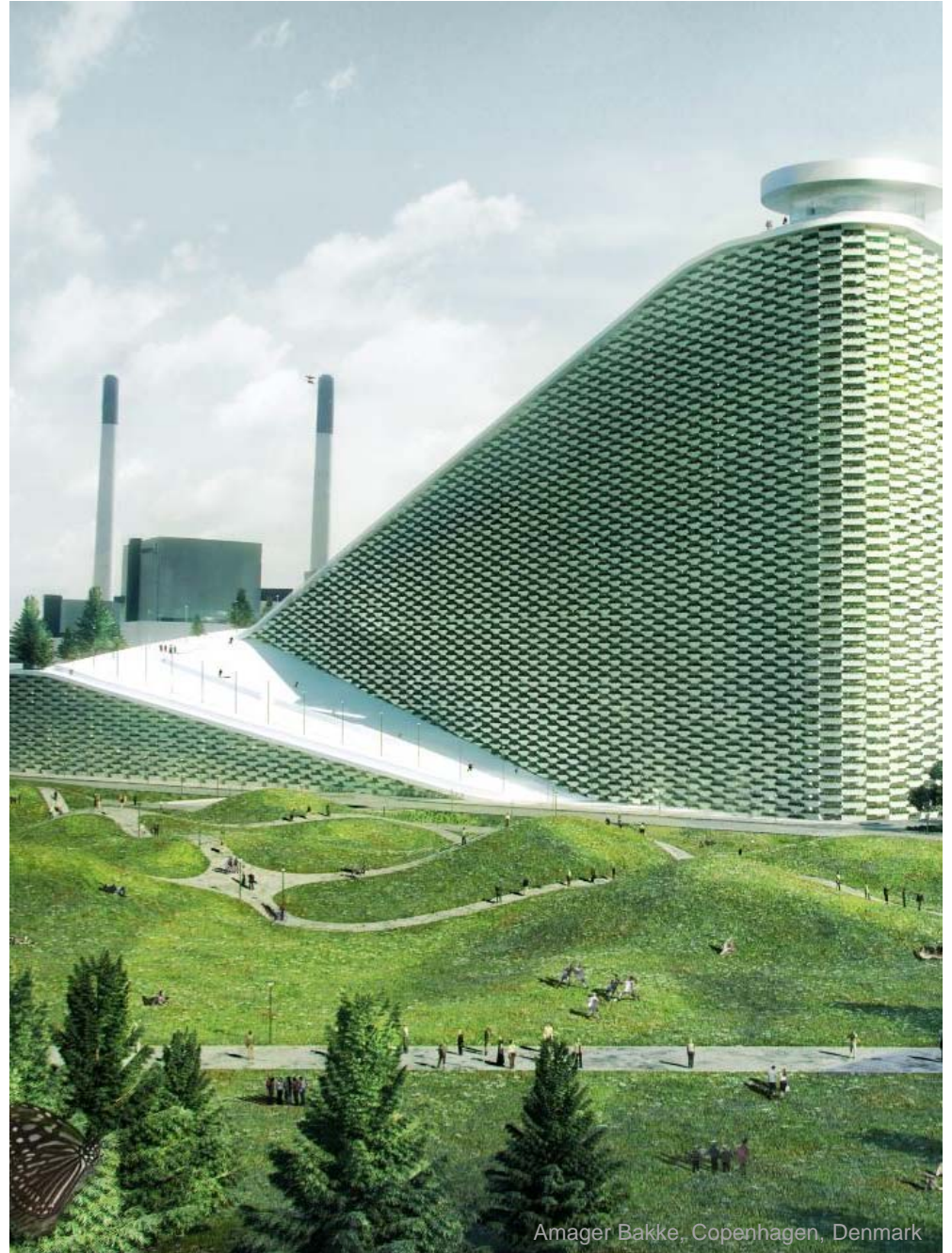
NCC's Construction units



Total SEK 7.7 BN (8.4)

Large orders in construction operations *Q3 2013*

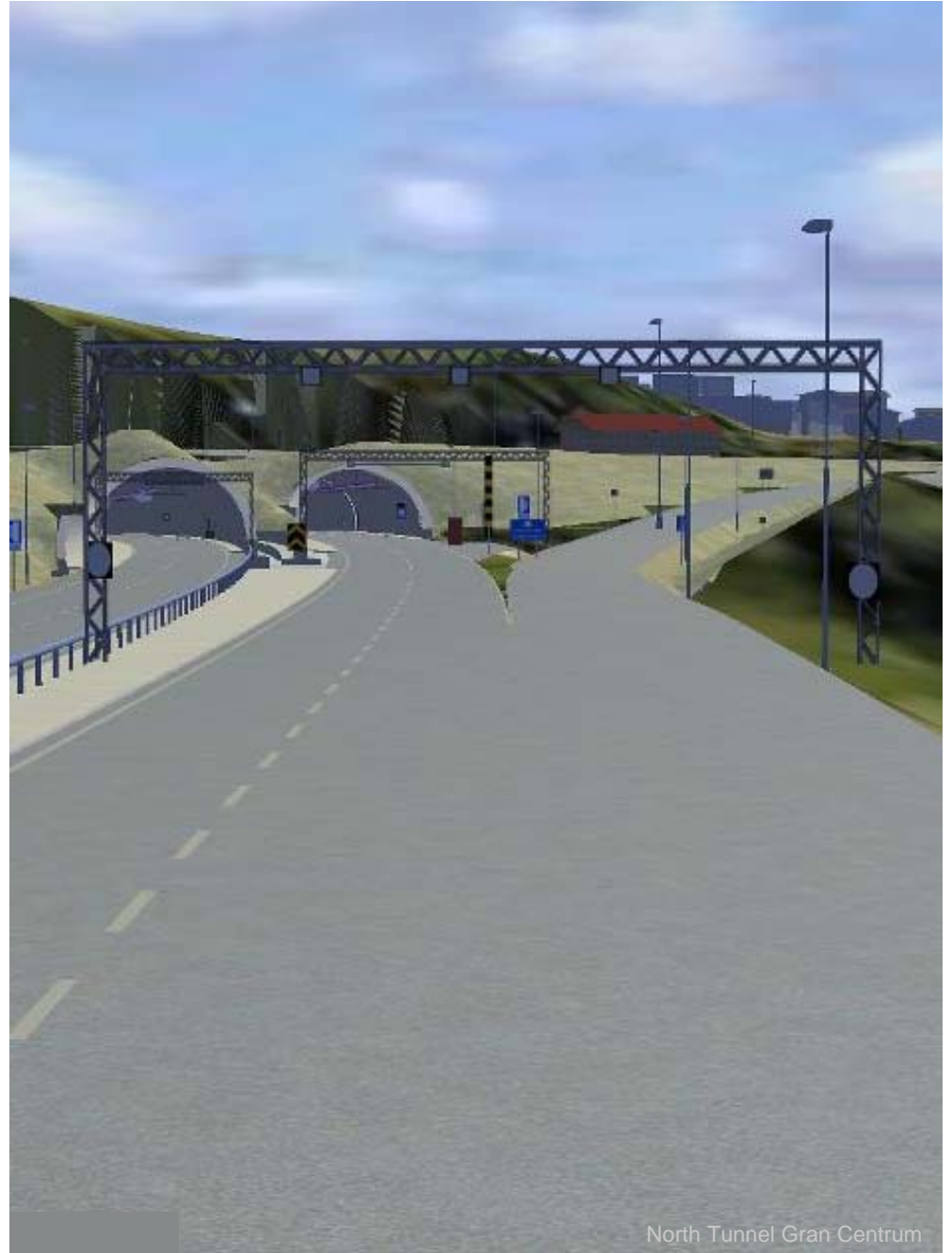
- Second phase of energy production plant Amager Bakke in Copenhagen, SEK 276 M
- Highway 4 in Norway, 9.3-kilometer four-lane highway, SEK 1.2 BN



Amager Bakke, Copenhagen, Denmark

Highway 4 in Norway

- Partnership project between NCC Construction in Norway and Sweden
- Order worth SEK 1.2 BN (divided 60/40)
- Completion in December 2016
- The Gran-Jaren section of Highway 4 will total 9.3 km
- Highway construction also includes a 1.7-km long two-lane tunnel, two major overpasses, 11.4 km of local roads and several structures and other projects along the way

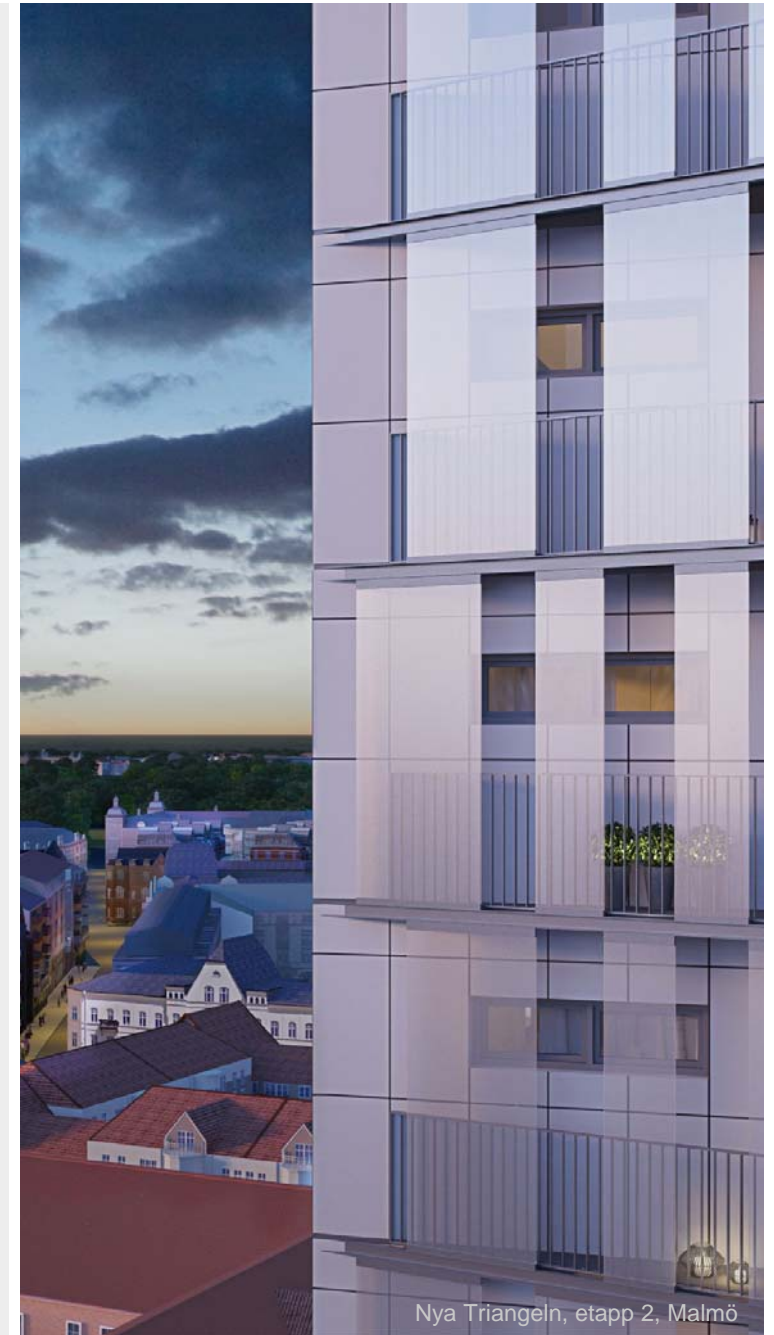


North Tunnel Gran Centrum

New organization

NCC Construction Sweden

- Regional level to be discontinued
 - replaced by five segments: Land and Industrial Construction, Civil Engineering, Buildings, Housing and General Construction
- This will lead to:
 - Stronger local presence
 - Increased specialization to satisfy customer needs
 - The power of development work being moved closer to the business operations



Nya Triangeln, etapp 2, Malmö

NCC Roads

Market

Q3/2013

- Demand for asphalt and aggregates increased during the third quarter
- Asphalt for the full-year in line with 2012
- Aggregates for the full-year slightly lower than 2012

2014

- Higher demand for aggregates
- Asphalt market – potential for growth



Customers in focus

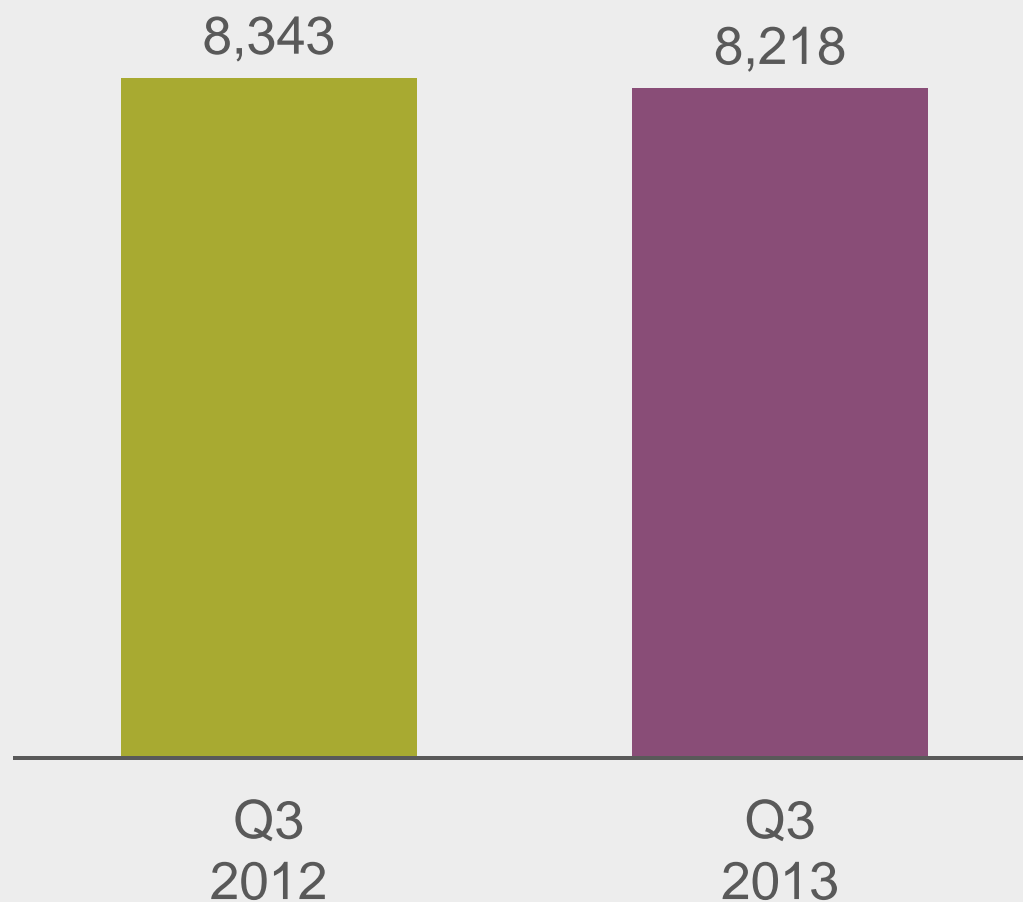
– NCC Roads introduces Nordic organization

- Three Nordic divisions have been formed
 - aggregates, asphalt and road services
- Strategic effort to optimize customer offerings
- Nordic work methods key to achieving strategic targets



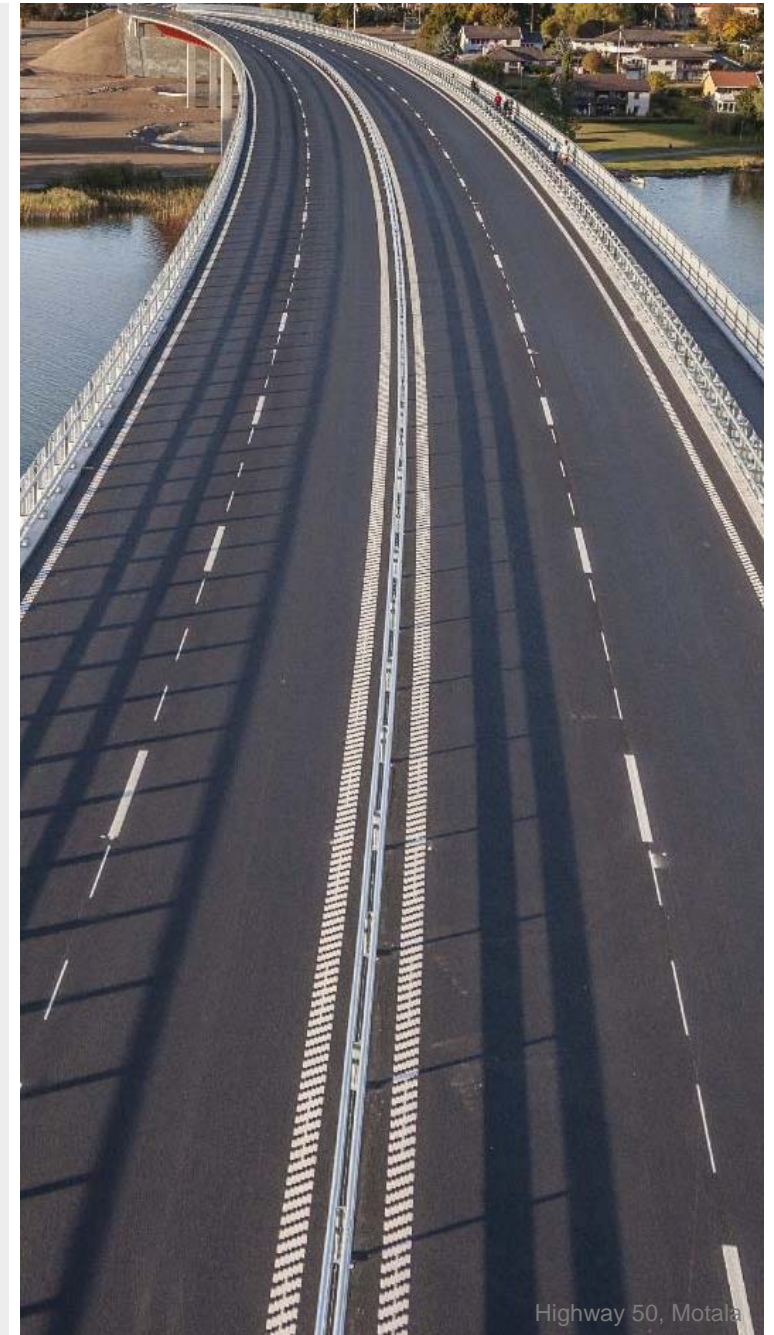
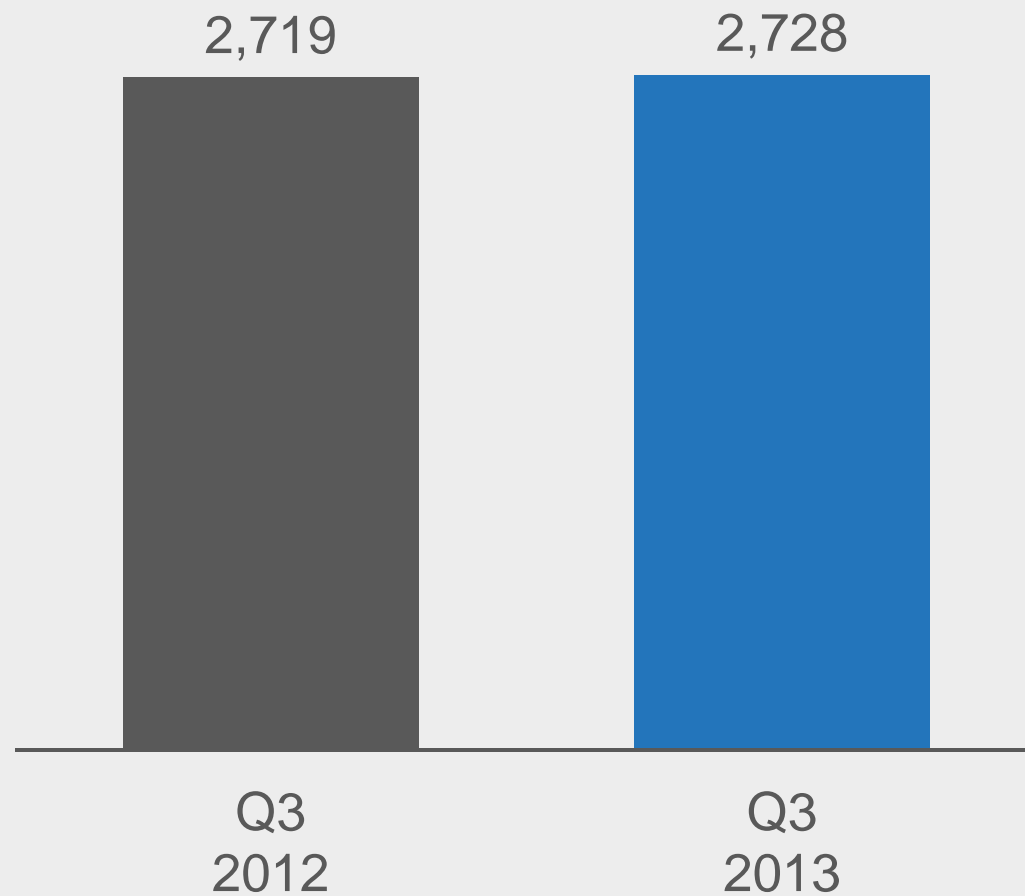
Lower volume of aggregates

*Volumes of aggregates sold,
thousands of tons*



High asphalt volumes

*Volumes of asphalt sold,
thousands of tons*



NCC Housing

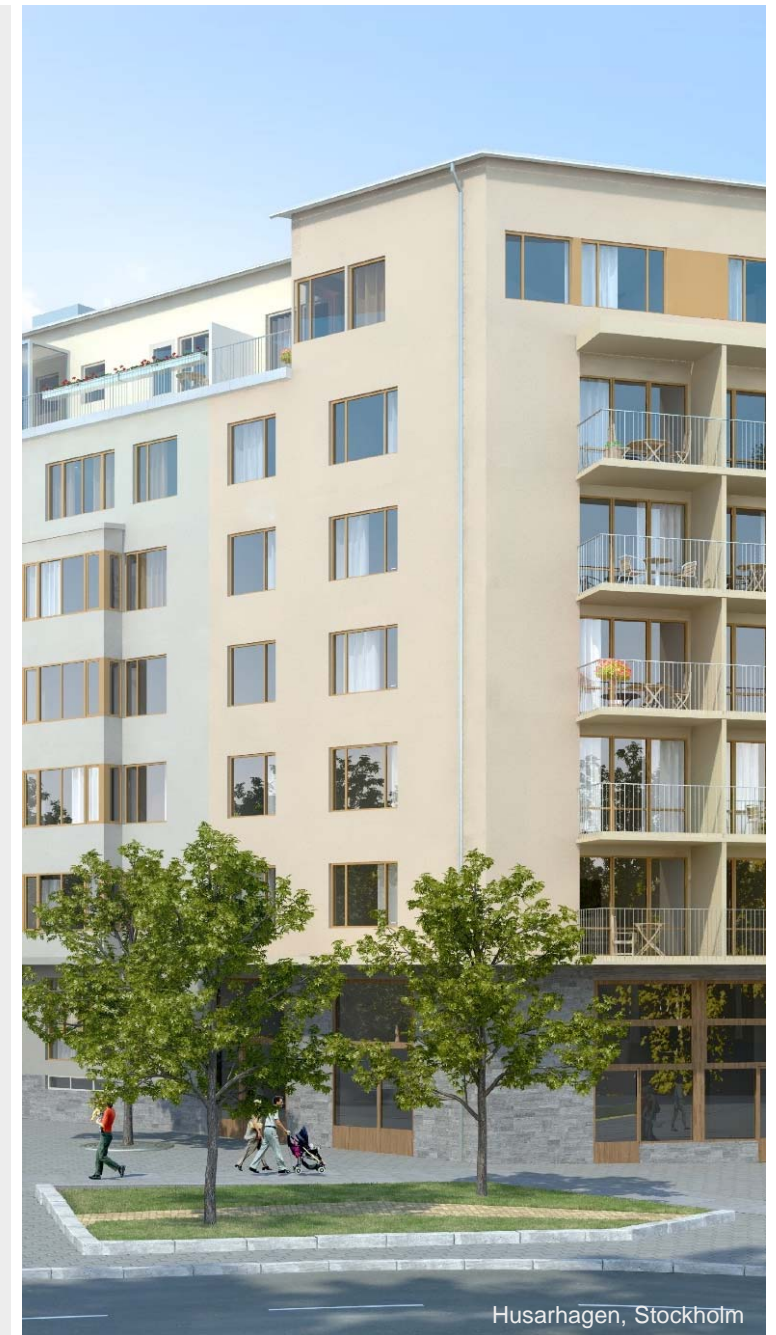
Market

Q3

- Best market conditions in Germany and St. Petersburg
- Slow recovery in Denmark and the Baltic countries
- Prices up slightly in Sweden
- Degree of caution in Sweden and Finland, purchase decisions made closer to completion
- Prices have leveled out in Norway

2014

- Stable demand in all markets in 2014, except in Finland which is more uncertain
- Essentially unchanged price levels



Continued favorable sales of housing...

No. of housing units sold	Jul-Sep		Jan-Sep	
	2013	2012	2013	2012
Sweden	142	165	557	492
Denmark	77	16	191	58
Finland	110	169	476	485
Baltic countries	47	21	125	70
St. Petersburg	279	150	563	385
Norway	15	32	57	90
Germany	273	156	666	440
Total, private customers	943	709	2,635	2,020
Investment market	449	460	848	744
Total	1,392	1,169	3,483	2,764

...provide conditions for more starts

	Jul-Sep		Jan-Sep	
No. of housing starts	2013	2012	2013	2012
Sweden	106	267	375	646
Denmark	86	4	203	62
Finland	116	74	399	382
Baltic countries	0	31	137	73
St. Petersburg	95	0	640	0
Norway	2	0	25	56
Germany	295	125	857	509
Total, private customers	700	501	2,636	1,728
Investment market	449	350	848	792
Total	1,149	851	3,484	2,520

Housing sales for investors Q3

Major transactions

City	Housing units	Price, SEK M	Recognized in profit
Hamburg/Cologne, Germany	155	321	Q4 2014
Stockholm, Sweden	328	667	Q3 2013



Cologne, Nippes

Strategic focus on rental apartments in Sweden

- New rental concept, pilot Säby
 - New construction system/platform
 - Apartment buildings
 - Lower construction costs
- First rental package sold to KPA
 - Development costs and use of land reserved for tenant-owner apartments had a negative impact on earnings
 - Forward funding



Säby, Stockholm

Fewer completed housing units not recognized in profit

Number of housing units	Sep 30, 2013	Dec 31, 2012
Sweden	61	77
Denmark	27	40
Finland	89	152
Baltic countries	28	75
St. Petersburg	12	11
Norway	18	16
Germany	28	22
Total, private customers	263	393
Investment market	34	0
Total	297	393



Target of 7,000 units under construction achieved

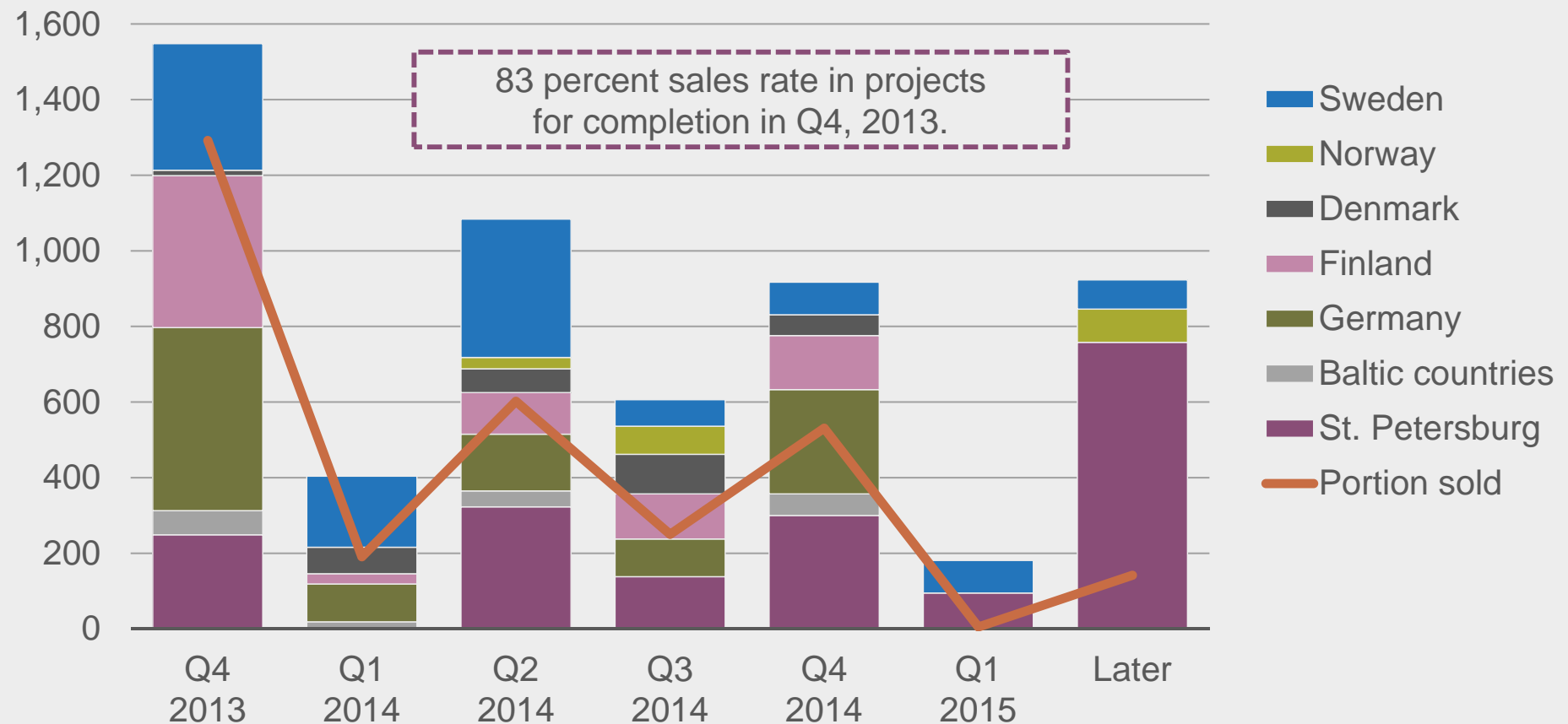
	For private customers		For investors		Total	
	Sep 30, 2013	Dec 31, 2012	Sep 30, 2013	Dec 31, 2012	Sep 30, 2013	Dec 31, 2012
Number of housing units						
Ongoing production	5,663	4,391	1,705	1,377	7,368	5,768
Sales rate, %	53	43	98	96	63	56
Completion rate, %	53	47	41	40	50	45



A large portion will also be completed this year in Q4

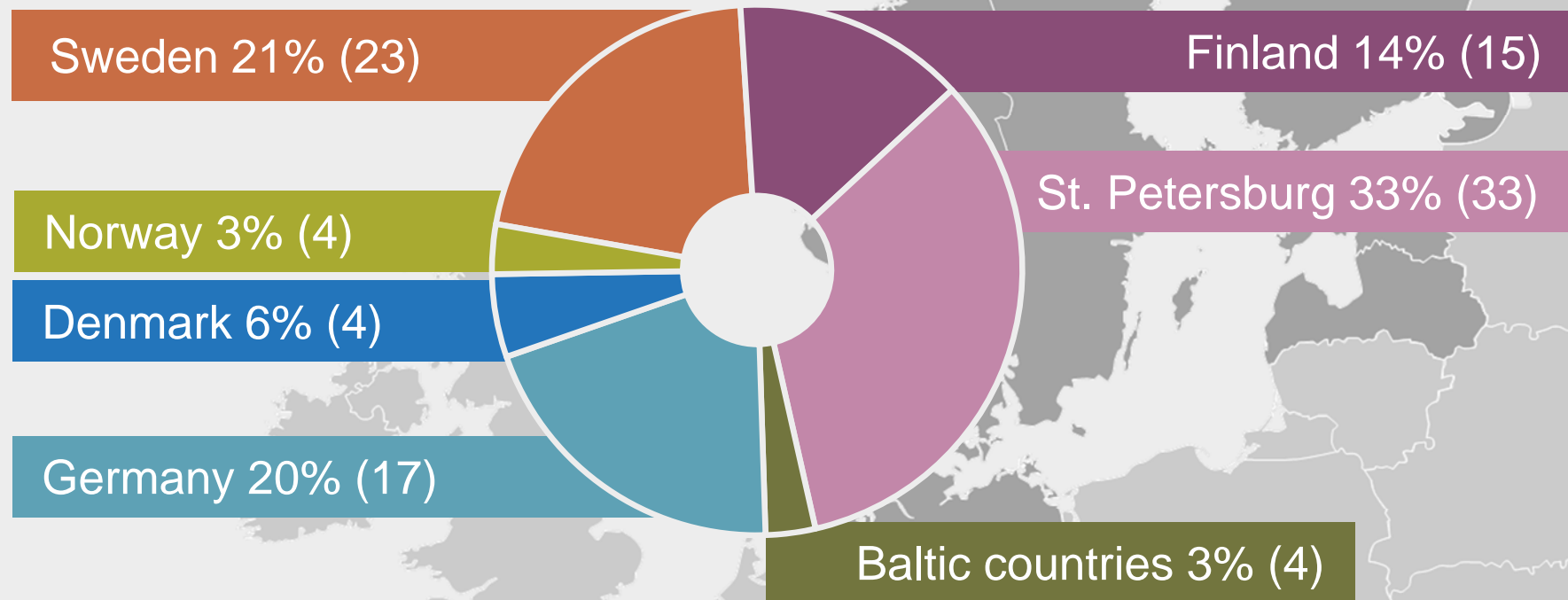
Estimated completion

No. of housing units for private customers



Continued market alignment of housing portfolio

Housing for private customers, ongoing production
September 30, 2013 (June 30, 2013)



NCC Property Development *Market*

Q3/2013

- Low transaction volume
- Demand for modern and “green” properties with stable tenants in prime locations
- Stable rents and vacancies

2014

- Anticipated GDP increase – positive impact on the Nordic property market



Koggen 2, Malmö

Property sales Q3

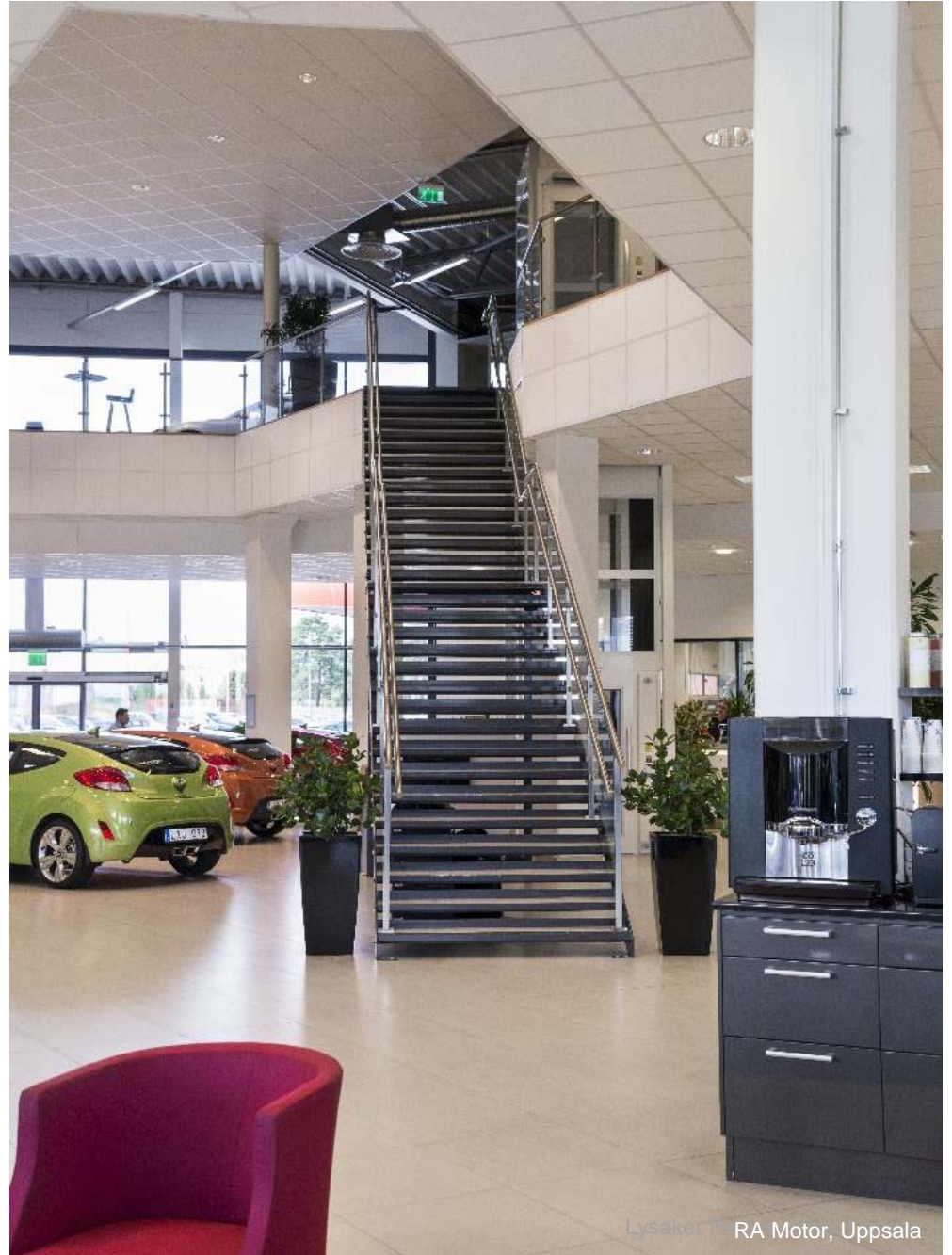
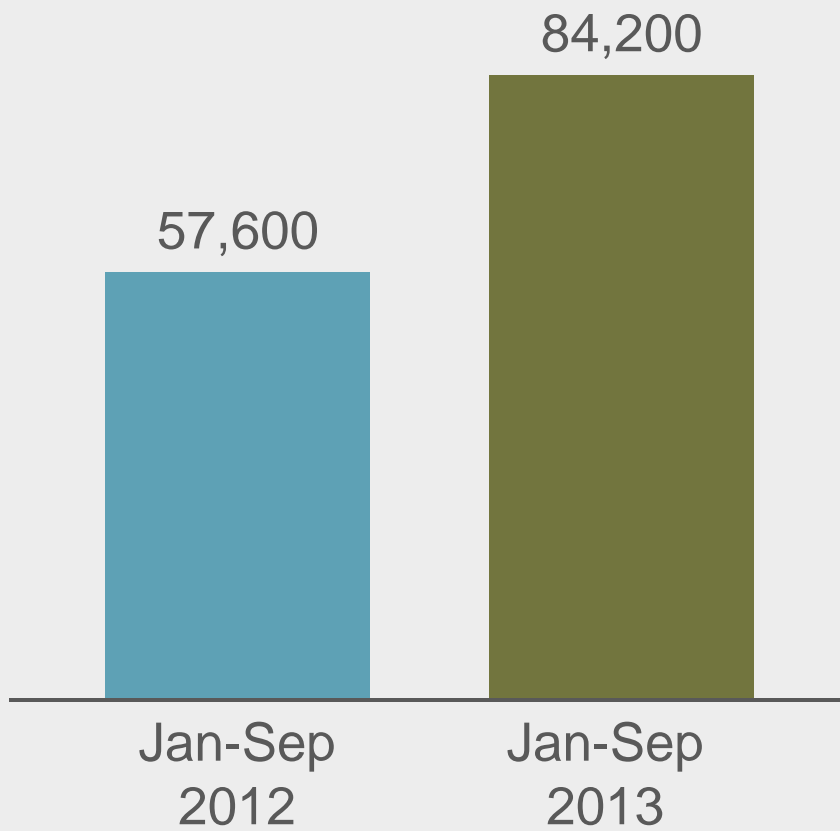
Project	Type	Price SEK M	Recognized in profit
Torsplan, Stockholm, Sweden	Office	1,618	Q4 2013
Gladsaxe Company House, Copenhagen	Office	353	Q1 2015
Birsta, Sundsvall	Retail	66	Q4 2013



Gladsaxe Company house, Copenhagen

Successful leasing

Leased floor space, m²



Lysaker RA Motor, Uppsala

Project starts Q3

- Gladsaxe Company House office project, Copenhagen
 - Leasable floor space: 14,800 m²
 - Leasing rate: 71%
 - Completion rate: 20%
 - DNGB gold level
 - Complete Q1 2015
 - Part of the conversion of the former industrial property comprising 120,000 m²



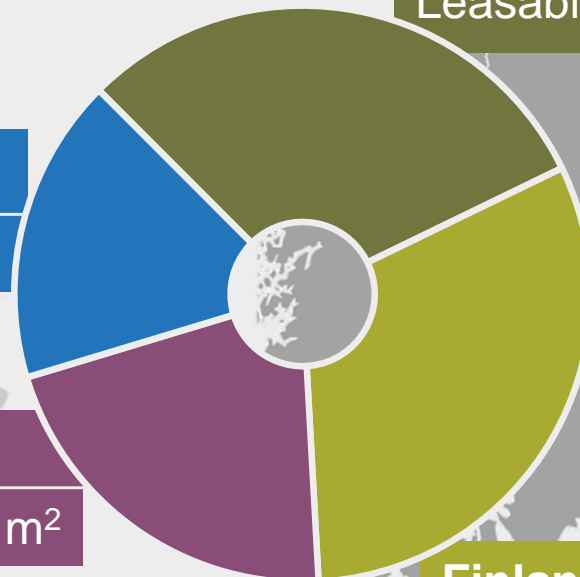
Gladsaxe Company house, Copenhagen

Well-balanced portfolio

*25 (24) ongoing or completed projects not recognized in profit
September 30, 2013 (June 30, 2013)*

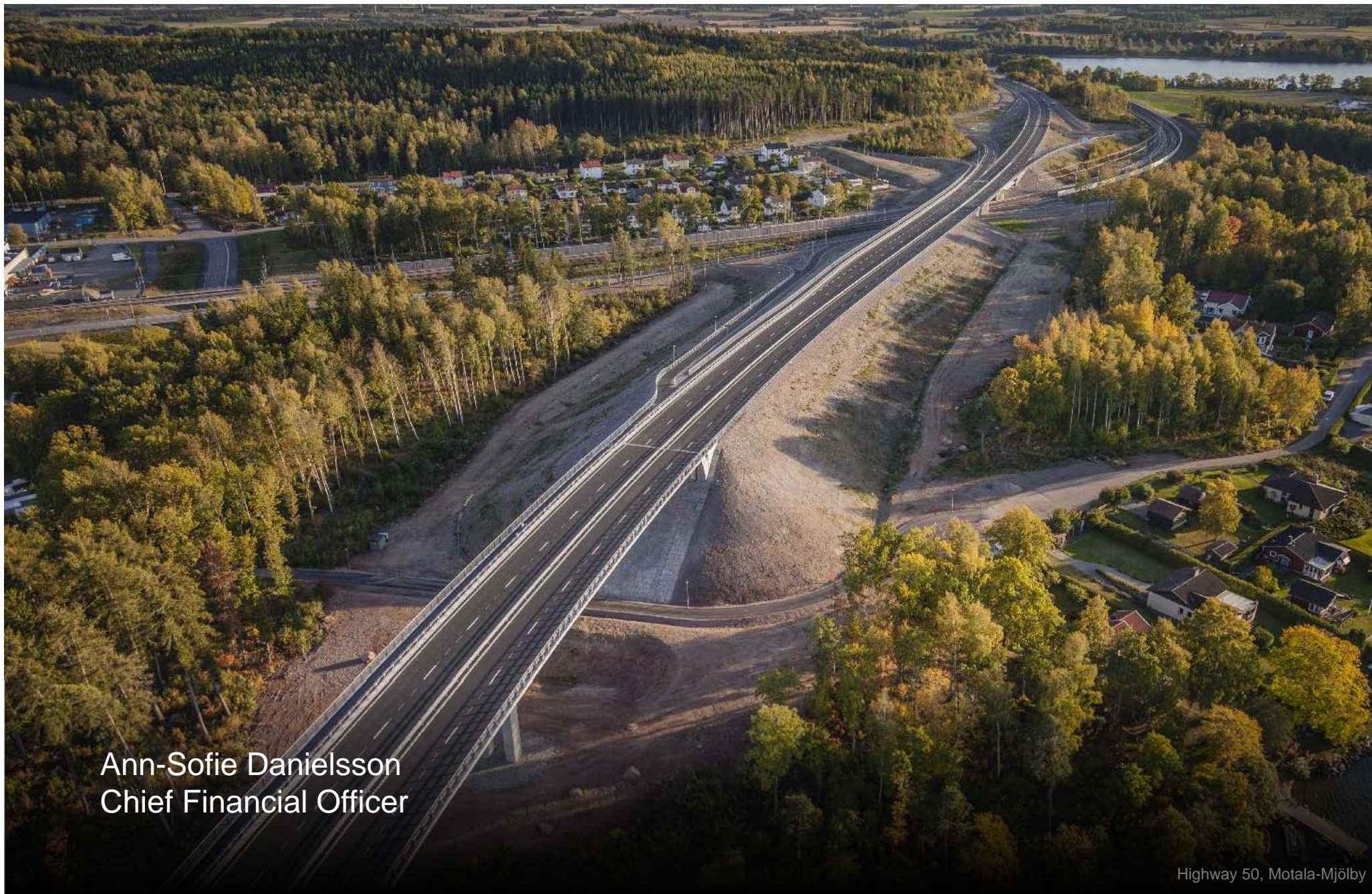
Norway, 3 (3) projects
Leasable floor space 43,400 m²

Denmark, 9 (8) projects
Leasable floor space 52,900 m²



Sweden, 5 (5) projects
Leasable floor space 76,000 m²

Finland, 8 (8) projects
Leasable floor space 79,200 m²

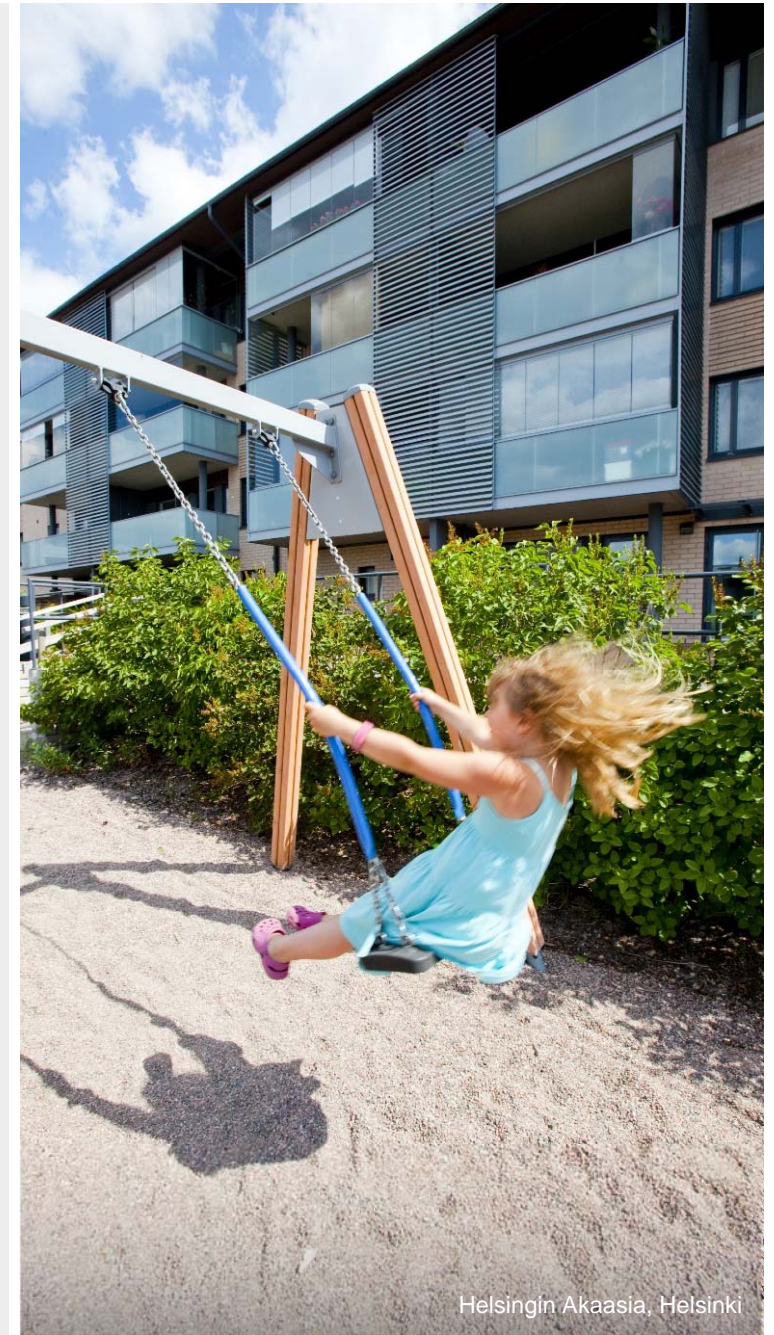


Ann-Sofie Danielsson
Chief Financial Officer

Highway 50, Motala-Mjölby

Q3 in brief

- Orders received OK – high order backlog
- Operating profit: SEK 823 M (814)
- Better cash flow from operating activities

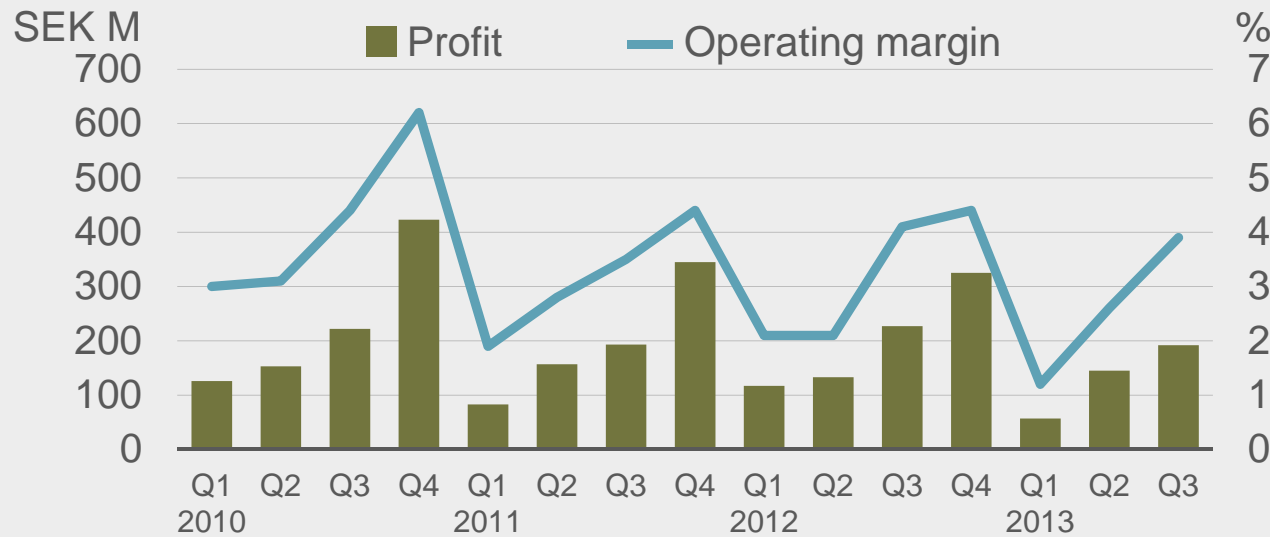
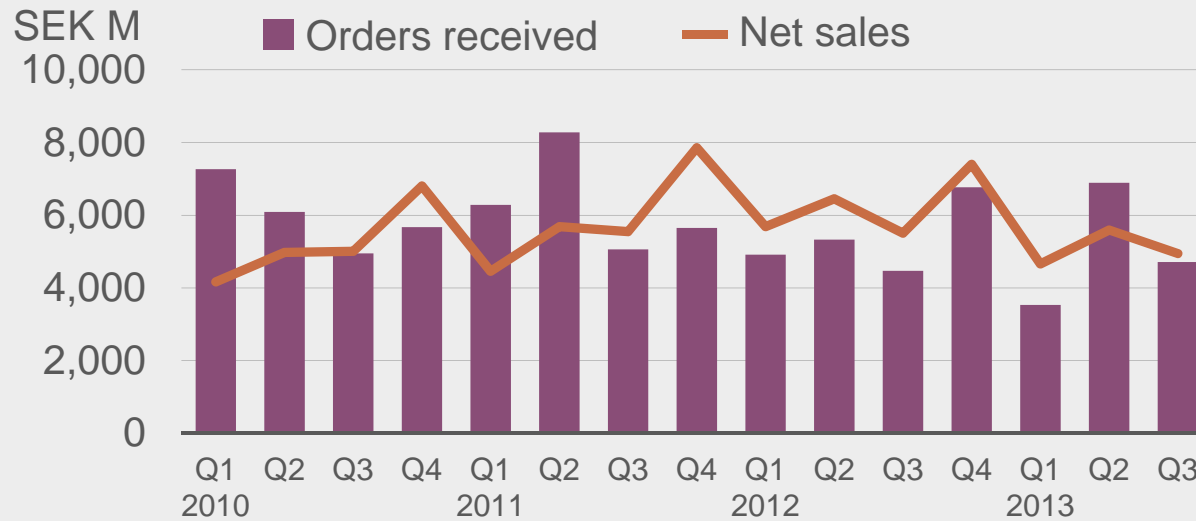


Helsingin Akaasia, Helsinki

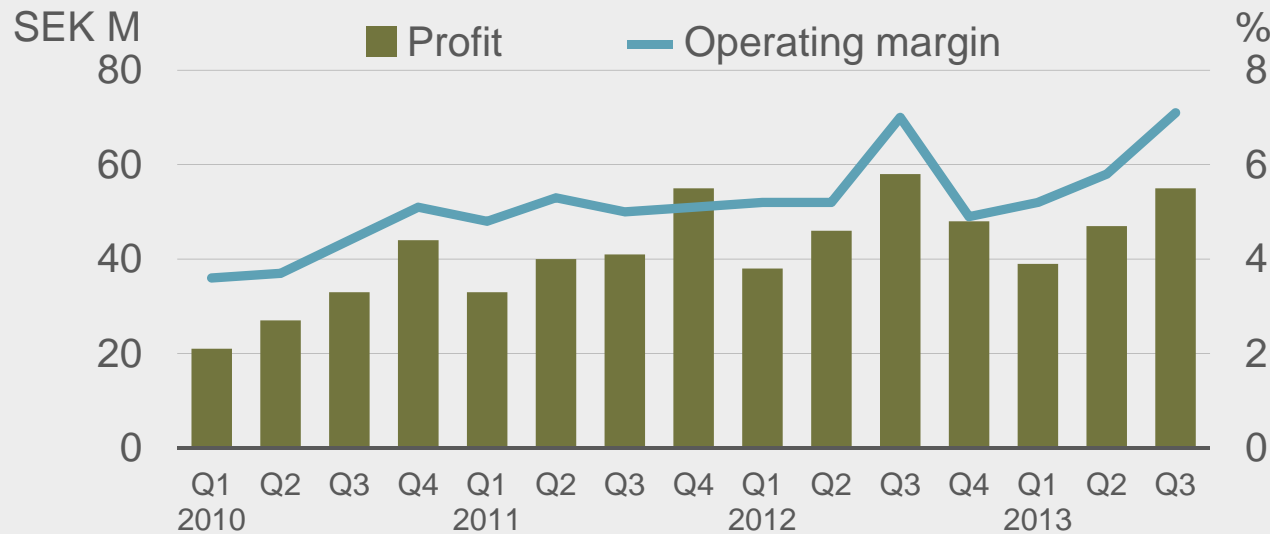
Income statement

SEK M	Jul-Sep 2013	Jul-Sep 2012	Oct 12– Sep 13	Jan–Dec 2012
Net sales	13,129	13,765	55,818	57,227
Gross profit	1,481	1,419	5,603	5,495
Selling and administrative expenses	-670	-605	-3,160	-2,988
<i>Cost ratio</i>	5.1%	4.4%	5.7%	5.2%
Other	13	1	21	12
Operating profit	823	814	2,464	2,519
Financial items	-75	-72	-278	-241
Profit after financial items	748	742	2,187	2,277
Tax on profit for the period	-134	-173	-298	-367
<i>Tax rate</i>	17.9%	23.3%	13.6%	16.1%
Profit for the period	614	569	1,887	1,910

NCC Construction Sweden

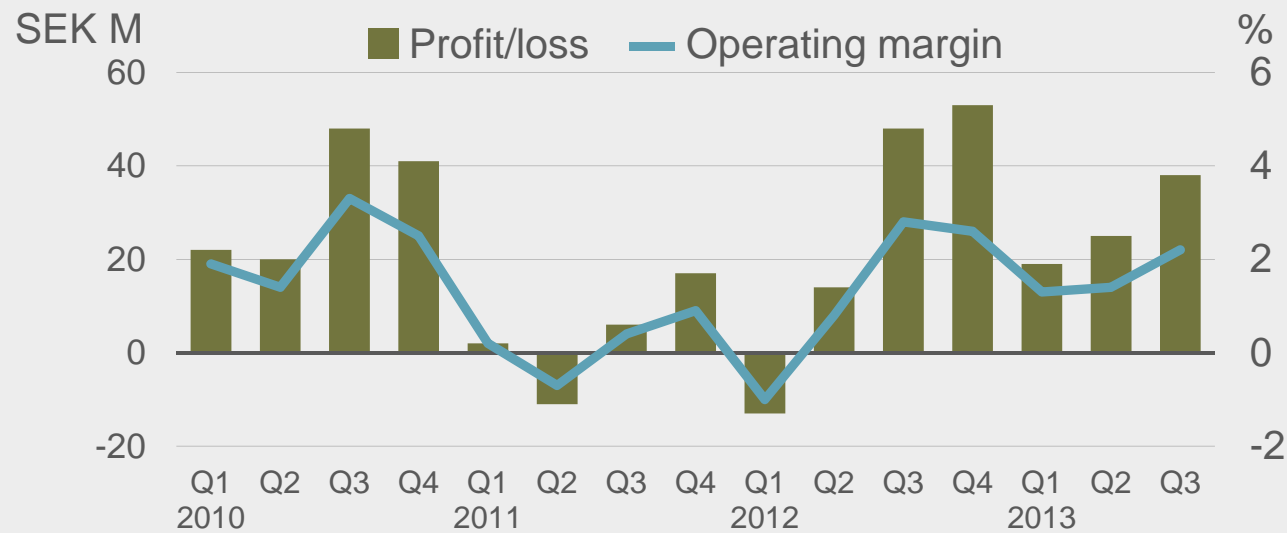


NCC Construction Denmark



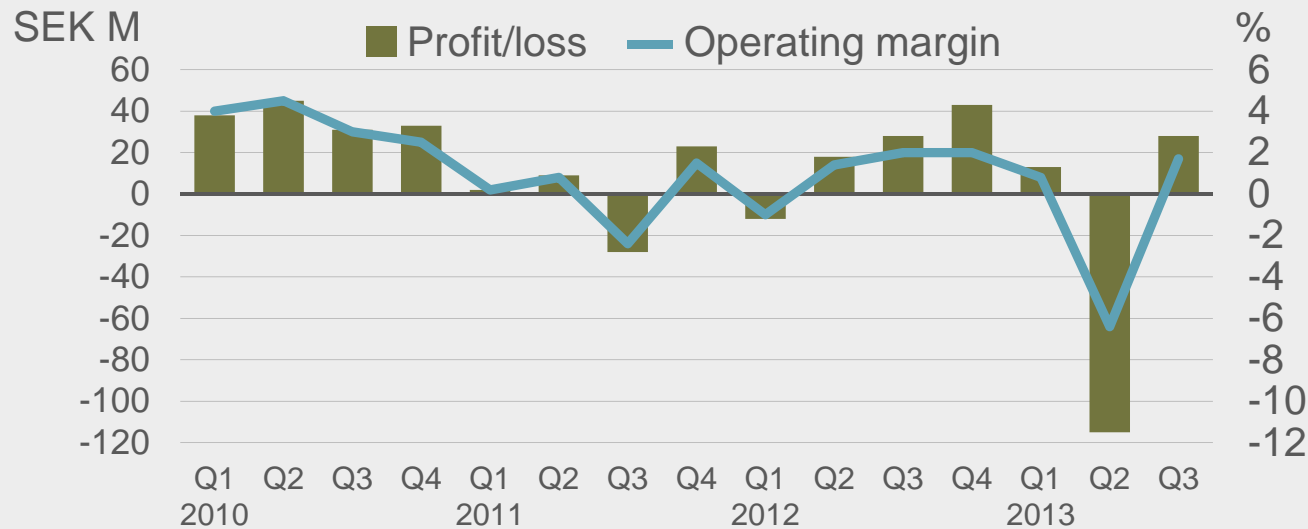
Isbjernet, Aarhus

NCC Construction Finland



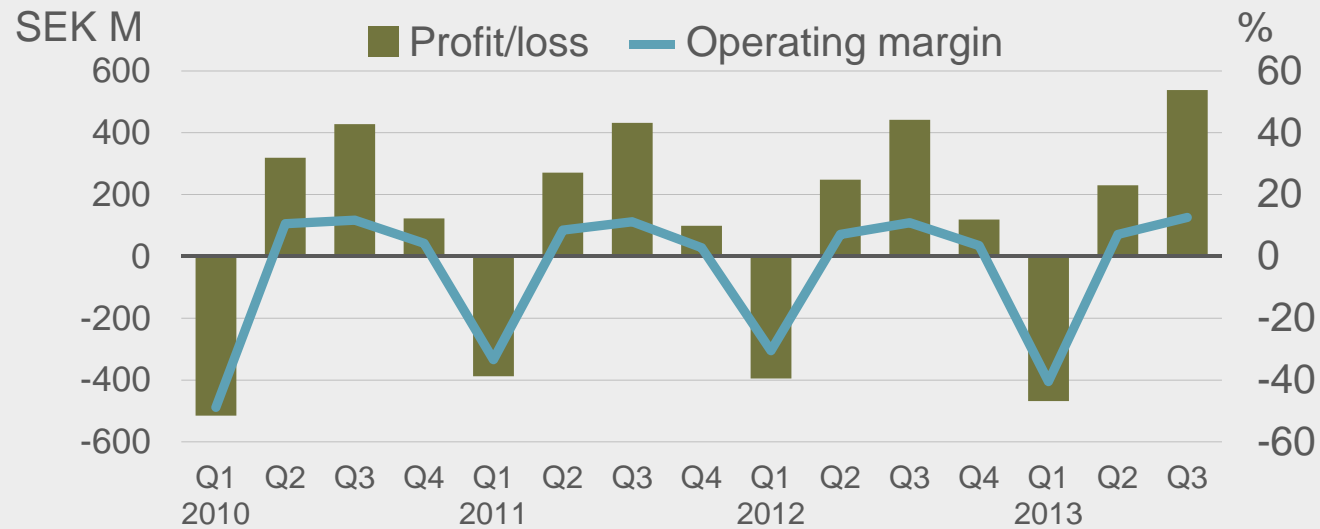
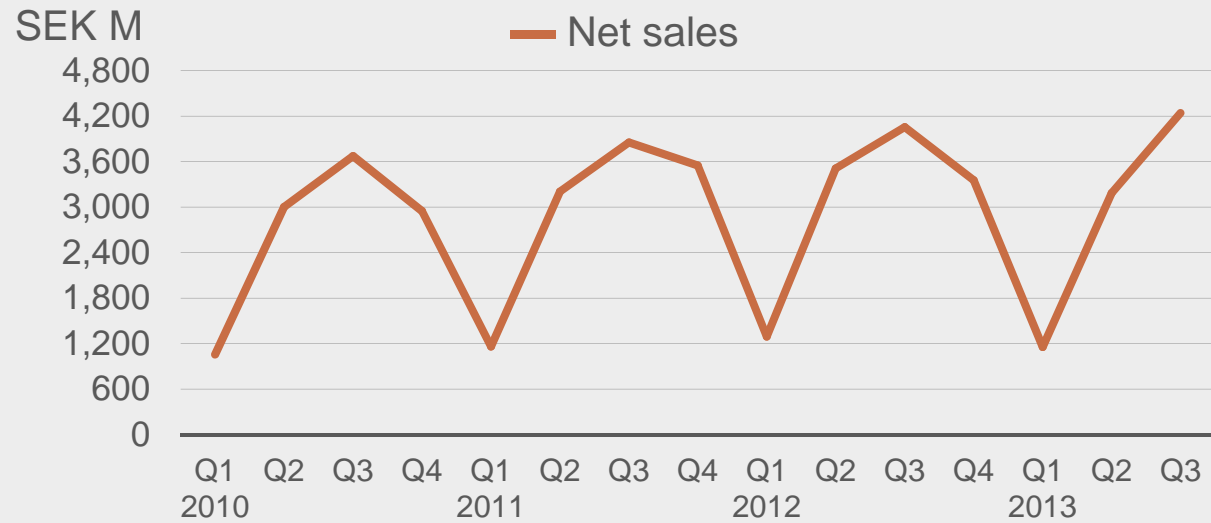
Aitio Business Park, Helsinki

NCC Construction Norway



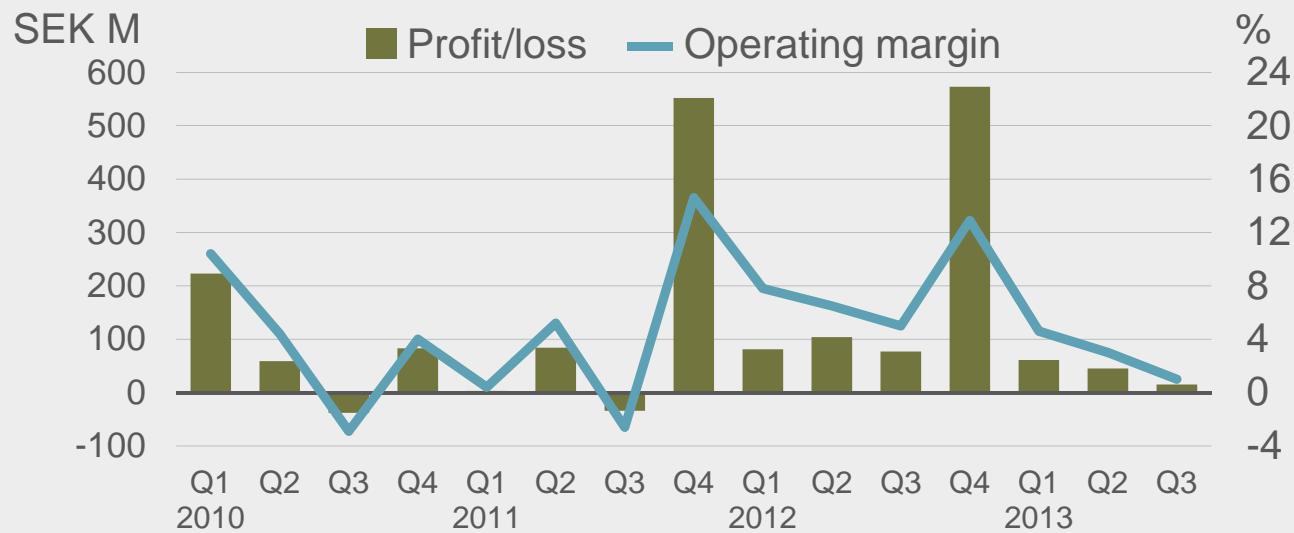
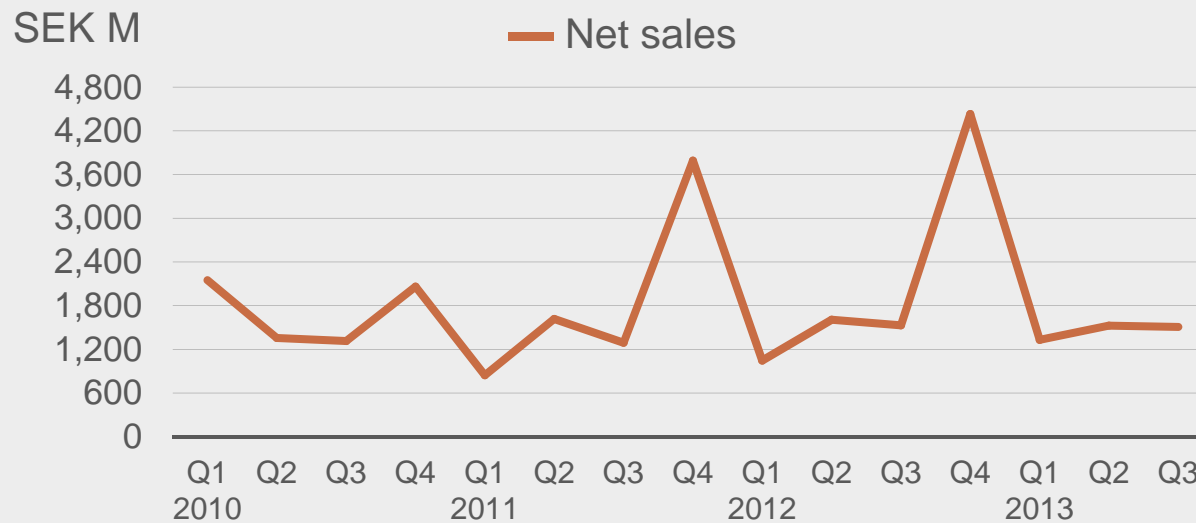
Lona Park, Bergen

NCC Roads



NCC Spuma

NCC Housing



Säby, Stockholm

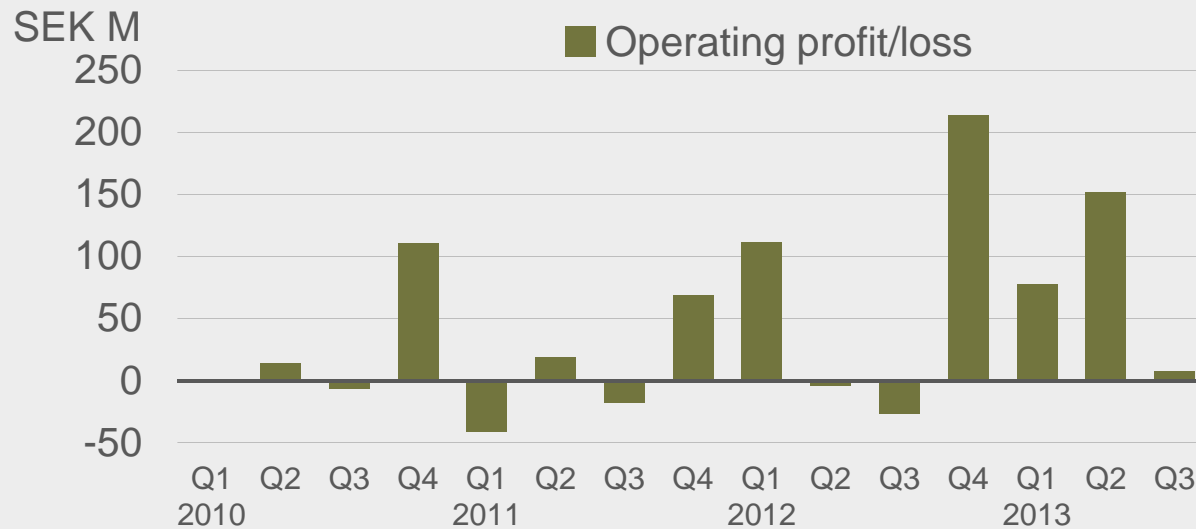
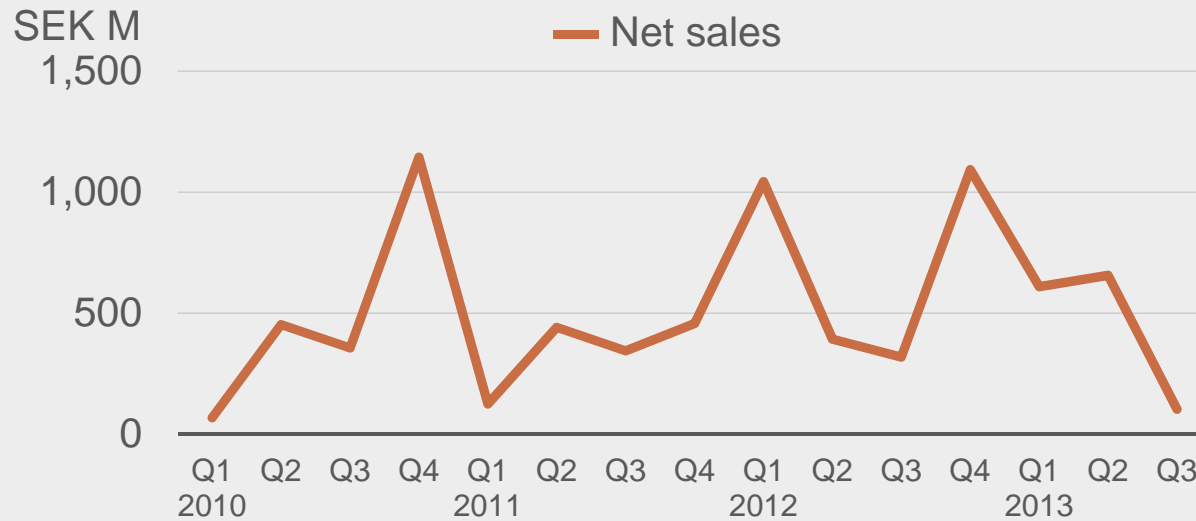
Housing units recognized in profit

Number of housing units	Jul-Sep 2013	Jul-Sep 2012
Sweden	144	103
Denmark	34	15
Finland	128	171
Baltic countries	45	22
St. Petersburg	44	1
Norway	22	97
Germany	93	113
Total, private customers	510	522
Investment market	0	55
Total	510	577



NCC Folkboende

NCC Property Development



Ullevigatan, Gothenburg

Operating profit/loss per business area

SEK M	Jul-Sep 2013	Jul-Sep 2012	Jan-Dec 2012
NCC Construction Sweden	192	227	801
NCC Construction Denmark	55	58	189
NCC Construction Finland	38	48	101
NCC Construction Norway	28	30	74
NCC Roads	538	442	417
NCC Housing	15	77	835
NCC Property Development	8	-27	295
Other and eliminations	-51	-40	-192
Operating profit	823	814	2,519

Balance sheet

SEK BN	Sep 30, 2013	Dec 31, 2012
Goodwill	1.8	1.8
Property projects	6.8	5.3
Housing projects	13.6	11.7
Accounts receivable and receivables from property sales	0.4	
Other assets		
Total assets		

SEK BN	Sep 30, 2013	Dec 31, 2012
Development properties	2.2	2.2
Ongoing property projects	3.4	2.7
Completed property projects	1.2	0.5
Total property projects	6.8	5.3



Balance sheet

SEK BN	Sep 30, 2013	Dec 31, 2012
Goodwill	1.8	1.8
Property projects	6.8	5.3
Housing projects	13.6	11.7
Accounts receivable and receivables from property sales		
Other assets		
Total assets		

SEK BN	Sep 30, 2013	Dec 31, 2012
Development properties	5.2	5.5
Development costs	1.4	1.3
Ongoing housing projects	6.4	4.2
Completed housing units	0.7	0.8
Total housing projects	13.6	11.7



Cash flow

SEK M	Jul-Sep 2013	Jul-Sep 2012	Oct 12 - Sep 13	Jan-Dec 2012
From operating activities	830	942	2,166	2,458
From property projects	-492	-678	-1,313	-928
From housing projects	-775	-1,100	-1,119	-2,046
Other working capital	394	591	1,523	489
Investing activities	-185	-247	-854	-906
Cash flow before financing	-227	-492	402	-932



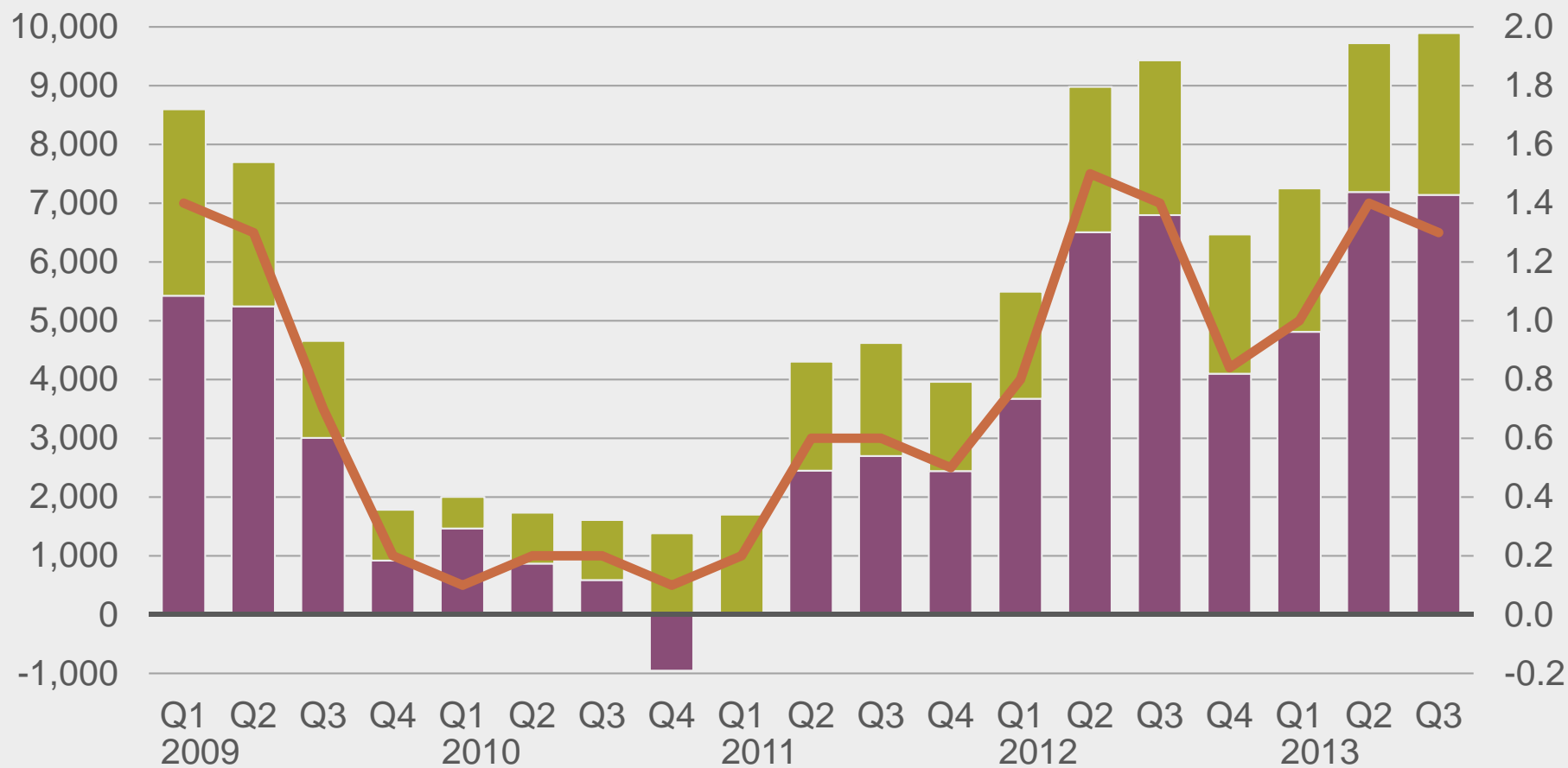
Vantaan Beckäksen Eemeli, Kattanonkoski, Vantaa

Net indebtedness

Net indebtedness, tenant housing and housing associations, SEK M ■

Net indebtedness excl. tenant housing and housing associations, SEK M ■

Debt/equity ratio —





P303 Gullvivan

Summary of Q3

- Slow market improvement
- Orders received on a par with year-earlier period
- High order backlog
- Lower sales
- Higher operating profit and margin
- Favorable earnings for NCC Roads and NCC Construction Denmark
- Healthy sales of housing and housing starts





Contact information

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