

Focus on enhancing profitability and reducing overheads

- Orders received amounted to SEK 16,295 M (16,267) in the fourth quarter and to SEK 56,990 M (56,506) for the January-December period
- Net sales totaled SEK 16,318 M (16,519) in the fourth quarter and SEK 54,608 M (52,934) for the January-December period
- The Group reported a loss after financial items of SEK 19 M (profit: 630) in the fourth quarter and a profit of SEK 1,150 M (profit: 1,341) for the January-December period
- Profit after tax was SEK 34 M (501) in the fourth quarter and SEK 1,009 M (1,116) for the January-December period
- Earnings per share after dilution amounted to SEK 0.30 (4.64) in the fourth quarter and to SEK 9.29 (73.81*) for the January-December period
- The Board proposes a dividend of SEK 8.00 (8.00) per share for 2017, divided into two payments (read more on page 11)

Group, SEK M	2017		2016	
	Oct. -Dec.	Oct. -Dec.	Jan. -Dec.	Jan. -Dec.
Orders received	16,295	16,267	56,990	56,506
Order backlog	51,806	47,940	51,806	47,940
Net sales	16,318	16,519	54,608	52,934
Operating profit/loss	2	661	1,242	1,453
Profit/loss after financial items	-19	630	1,150	1,341
Net profit/loss for the period	34	532	1,009	1,116
Net profit/loss for the period after tax for continuing and discontinued operations *	34	501	1,009	7,983
Profit/loss per share after dilution, SEK *	0.30	4.64	9.29	73.81
Cashflow before financing	1,244	2,521	1,361	-11
Equity/asset ratio, %	20	22	20	22
Net cash +/-net indebtedness -	-149	-222	-149	-222

For definitions of key figures, see www.ncc.group/Investor-relations/Financial-data/Financial-definitions

* In this report, Bonava is reported as a discontinued operation according to IFRS 5 (see accounting policies on page 16 and Note 4) and is included in NCC's income statement up to June 7, 2016. Earnings from the discontinued operation comprise Bonava's profit for the period January 1 to June 7, 2016 plus the difference between Bonava's market capitalization on the listing date and Bonava's shareholders' equity on the spinoff date.

Acting CEO Håkan Broman comments

During the fourth quarter, NCC took measures to ensure margin improvements moving forward, including the development of a program aimed at reducing overheads that is expected to yield annual savings of SEK 200 M. Our support efforts are targeting construction and civil engineering projects experiencing weak profitability and, by increasing provisions, the project portfolio now has a lower, more balanced risk. Provisions and restructuring costs were charged to quarterly earnings in the amount of SEK 390 M and the loss after financial items was SEK 19 M (profit: 630).

Weak earnings, but strong cash flow

In terms of earnings, 2017 was a major disappointment. Profit after financial items declined to SEK 1,150 M (1,341). Although the year was marked by weak profitability in parts of the construction and civil engineering operations, there were also a number of positive aspects to highlight. Cash flow was strong and NCC has a solid financial position and is essentially debt-free. Both NCC Industry and NCC Property Development surpassed their financial targets in 2017. The market outlook is generally favorable. Orders received reached a high level in 2017 and we have a substantial order backlog to work up.

Higher sales but lower profit for NCC Building

Building increased its sales during the quarter but profit was lower as a result of, among other factors, the recognition of provisions totaling SEK 55 M for construction projects. Full-year earnings and the operating margin improved, although there is some progress to be made before the business area achieves its financial objective.

NCC Infrastructure posts loss

Provisions in construction projects of SEK 260 M impacted quarterly earnings in Infrastructure. While sales for the full year increased, provisions and project impairments resulted in the business area posting an operating loss of SEK 137 M for 2017.

Higher earnings for NCC Industry

Profit for the quarter rose on the back of higher sales volumes and improved earnings from the foundation engineering business. NCC Industry reported its best full-year earnings to date and exceeded its objectives for both operating margin and return on capital employed.

Four new property projects

NCC Property did not recognize any property projects in the quarter, resulting in a negative quarterly result. Full-year earnings improved year on year and the business area achieved its financial objectives. During the fourth quarter, work on four new projects commenced and projects currently ongoing now total 22. However, due to the timing of when the projects commenced, there are few projects to recognize in profit in 2018.

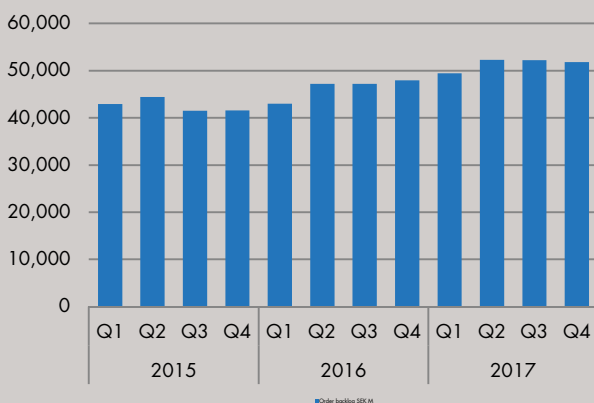
New CEO and new Business Area Manager

Tomas Carlsson will assume the position of President and CEO not later than July 2018. Tomas is currently President of the listed architecture and engineering consultancy Sweco and prior to this worked for nearly 20 years at NCC. Kenneth Nilsson will take over as the new Business Area Manager of NCC Infrastructure on April 3, 2018. Kenneth joins NCC from Skanska, where he most recently served as head of Skanska Civil East in the US. These represent two solid recruitments with a great deal to add to NCC. Until such time as Tomas Carlsson assumes his position, I will continue my efforts to improve profitability in the construction and civil engineering operations.

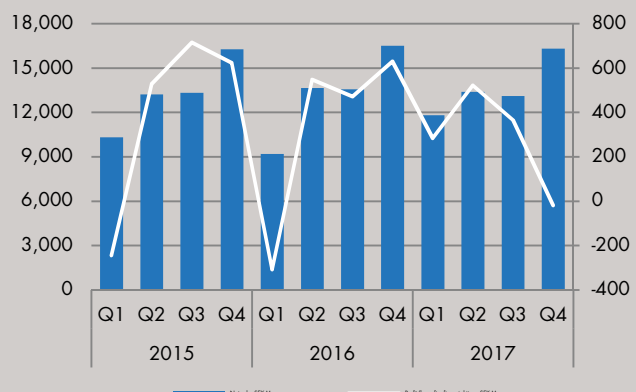


Håkan Broman, Broman, acting President and CEO Solna, January 25, 2018

Order backlog



Net sales and result after financial items



The diagrams show NCC's performance excluding Bonava.

Group performance

January-December 2017 period

Orders received and order backlog

Orders received amounted to SEK 16,295 M (16,267) in the fourth quarter and to SEK 56,990 M (56,506) for the January-December period. Orders received increased for Infrastructure and Industry in all divisions, while Building had lower orders received. Changes in exchange rates increased orders received by SEK 305 M (0) in the January-December period.

The Group's order backlog totaled SEK 51,806 M (47,940). Changes in exchange rates increased the value of the order backlog by SEK 145 M (1,156).

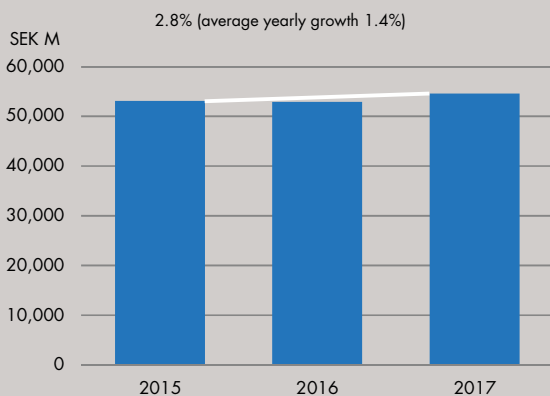
Net sales and earnings

Net sales totaled SEK 16,318 M (16,519) in the fourth quarter and SEK 54,608 M (52,934) for the January-December period. Net sales in Building, Infrastructure and Industry were higher in the quarter, while Property Development did not recognize any sales of projects or land. Changes in exchange rates increased sales by SEK 330 M (54) in the January-December period.

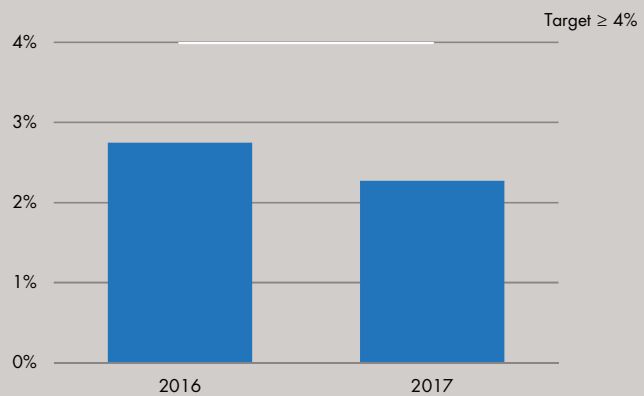
NCC's operating profit totaled SEK 2 M (661) in the fourth quarter and SEK 1,242 M (1,453) for the January-December period. The deterioration during the full year is mainly attributable to risk provisions in Building and Infrastructure projects, but restructuring costs and project impairments also had an impact. NCC Industry noted an improvement in operating profit as a result of high activity in Sweden. Property Development reported improved operating profit and recognized five projects in profit during the year – three in Sweden (one of which was Torsplan 2) and two in Finland.

Net financial items amounted to an expense of SEK 91 M (expense: 112). A lower loan volume and lower interest rate on loans had a positive impact on financial net.

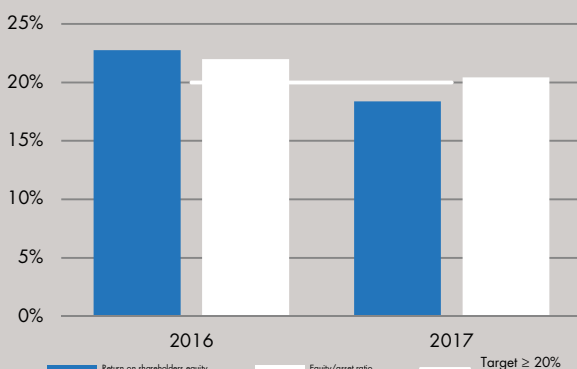
Revenue growth (net sales) *



Operating margin

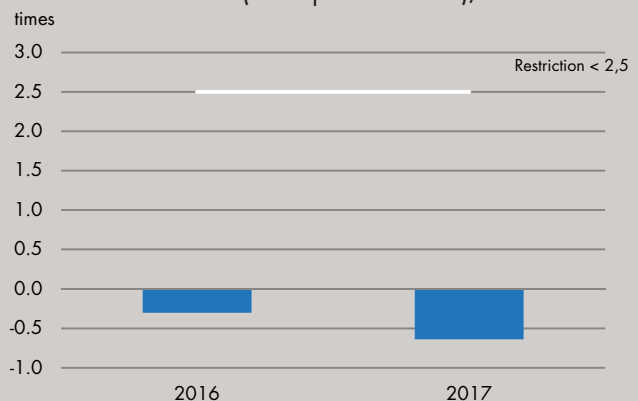


Equity/assets ratio and return on equity



Return on equity show NCC:s profit excluding Bonava

Net indebtedness (excl. pension debt)/EBITDA



Cash flow

Cash flow from operating activities totaled SEK 2,158 M (1,170) for the January-December period. Cash flow was positively impacted by earnings from operations and the profit recognition and handover of five projects in Property Development. Other changes in working capital were on a par with the preceding year. Positive adjustments for non-cash items essentially comprise higher provisions, exchange-rate differences and reversals of depreciation/amortization. Total cash and cash equivalents at the end of the quarter amounted to SEK 3,104 M (3,283).

Financial position

The Group's net indebtedness at December 31 amounted to SEK 149 M (debt: 222). The year-on-year improvement was mainly attributable to an improved cash flow in 2017, which was offset to a certain extent by a higher cash dividend to NCC's shareholders.

The Group's total assets at December 31 amounted to SEK 27,035 M (25,315).

The average maturity period for interest-bearing liabilities, excluding pension debt according to IAS 19, was 34 months (33) at the end of the quarter. At the same date, NCC's unutilized committed lines of credit totaled SEK 3.5 billion (3.4), with an average remaining maturity of 44 (55) months.

Capital employed

Capital employed at December 31 amounted to SEK 9,523 M (9,585), with the decline primarily due to the recognition of property projects in profit and an increase in interest-free financing. The return on capital employed was 13 percent (13) in the fourth quarter.



	2017 Jan. -Dec.	2016 Jan. -Dec.
Net indebtedness, SEK M		
Net indebtedness, opening balance	-222	-4,552
- Cash flow from operating activities	2,158	1,170
- Cash flow from investing activities	-797	-1,181
Cash flow before financing	1,361	-11
Acquisition/Sale of treasury shares	-4	60
Change of provisions for pensions	-399	-670
Dividend costs		-76
Currency exchange differences in cash and cash equivalents	-20	15
Paid dividend	-865	-324
Dividend Bonava		5,336
Net cash + /net indebtedness - closing balance	-149	-222

Market development

Growth is returning to normal levels in the Nordic construction market following several years of strong growth. The forecast rate of growth is 3 % for 2018 and 1 % for 2019. Major projects in the Nordic region are attracting international interest and European companies are taking a more long-term approach to the establishment of operations in NCC's markets. GDP in the Nordic region is expected to grow by about 2 % annually in 2018 and 2019.

Civil engineering – high growth in Norway and Sweden

Infrastructure initiatives are market drivers in Norway and Sweden. The Norwegian markets is forecast to grow by 9 % annually up to and including 2019 and the Swedish market by about 5 %. The civil engineering market in Finland is expected to report zero growth in 2018 and shrink in 2019. Low growth is forecast in Denmark in 2018 and 2019 on account of restrictive government investments.

Construction – normalization of new production

Growth in new production in the Nordic region was high in 2017, increasing by nearly 15 %. A return to normal levels will occur in 2018 with a slight decline forecast in 2019. The Swedish construction market is expected to grow by a full 5 % in 2018 with a decline of 3 % expected in 2019. The Norwegian market is expected to post zero growth in new production for 2018 and decline slightly in 2019; growth is largely occurring in the Oslo region. In Finland, the market will grow by 2 % in 2018 and decline by 3 percent in 2019 as a result of lower housing production. In Denmark, an 8-percent annual increase in new production of housing up until 2019 will contribute to estimated growth of slightly more than 5 % in 2017 and 2018. Growth is expected to decline in the country in 2020.

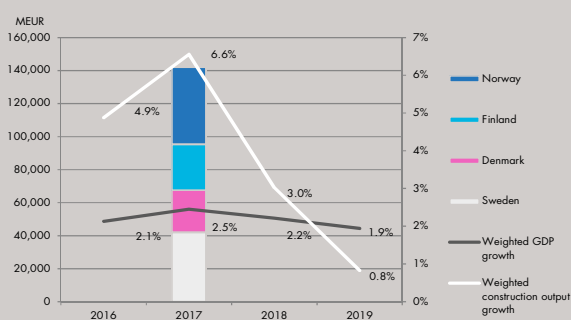
Industry – civil engineering market fueling growth

A strong civil engineering market in 2018-2019 is driving growth in demand for asphalt and stone materials in the Nordic region, with a normalization expected thereafter. The market for stone materials is expected to grow, primarily driven by infrastructure and housing projects in Sweden and Norway, while lower growth is expected in Denmark and negative growth in Finland. Within asphalt, the most significant market growth is anticipated in Sweden, with the annual figure expected to approach 5-10 % in 2018-2019. The Swedish market is expected to grow considerably, driven by major projects in metropolitan areas. In Norway, the impact of growth from large-scale infrastructure projects will become increasingly apparent during 2018 and 2019, with the increase expected to be 5-10 %. The Danish market will show weak growth until 2018. While foundation engineering companies experienced an expanding market in 2017, a decline in housing investments in 2018 is expected to yield a shrinking market in 2019.

Property – decline in high activity

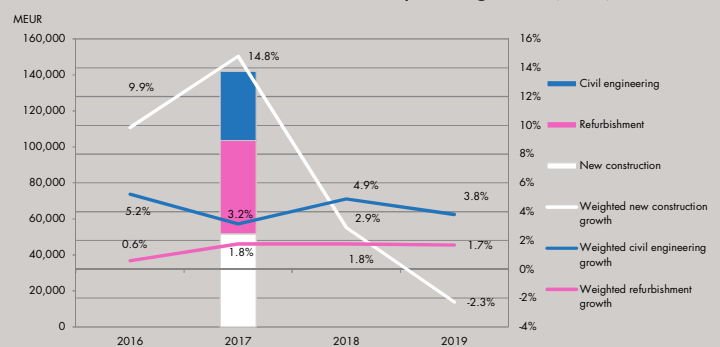
Urbanization, new ways of working and the quest for returns are market drivers. A slight increase in interest rates on the horizon is slowing growth. The transaction volume in the Nordic region is thus considered to have declined somewhat in 2017 from the high levels noted in 2016. With higher interest rates, the yield will increase. In Denmark, production of offices and retail premises is forecast to grow by about 5 % annually until 2020. Vacancies in the Helsinki CBD (Central Business District) are showing a slight decline. The property market is expected to remain active as Brexit shifts investor interest to the eurozone. The Oslo office market will grow moving forward as growth once again gains momentum in the country.

GDP and construction volume, outlook (real)



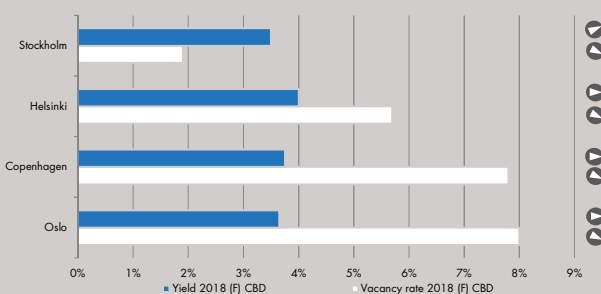
Source: Euroconstruct, NCC

Construction volume and outlook per segment (real)



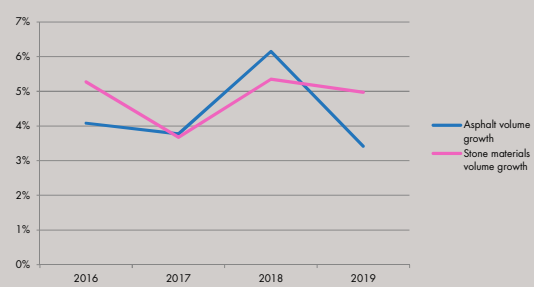
Source: Euroconstruct, NCC

Property yield and vacancy rate, offices, CBD



Source: Newsec, NCC

Asphalt and stone volumes, outlook



Source: Euroconstruct, NC

NCC Building

January-December 2017 period

Orders received and order backlog

Orders received by NCC Building declined to SEK 6,701 M (8,985) in the fourth quarter and to SEK 25,092 M (28,738) for the January-December period. All operations noted a decline in orders received in the fourth quarter. A high order backlog in Sweden has meant that NCC has been restrictive in terms of bidding on new tenders. The market is challenging in Finland. The product mix in orders received continues to display a trend of an increased share of refurbishment projects.

The order backlog increased during the year and amounted to SEK 29,671 M (29,159) at the end of the period.

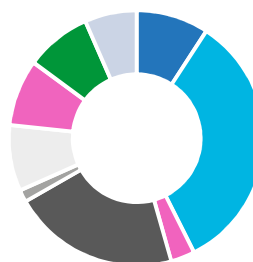
Net sales and earnings

Net sales rose slightly to SEK 7,561 M (7,411) in the fourth quarter but declined to SEK 24,727 M (25,681) for the January-December period. The decline noted in the January-December period was accounted for by the Norwegian, Danish and Finnish operations. Sales in the Swedish operations, which are the largest in the business area, increased in the corresponding period.

NCC Building's net sales consist mainly of housing production and refurbishment. In terms of sales, Sweden is the largest market and the Swedish operations have a high order backlog to work up moving forward.

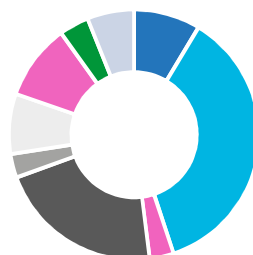
Operating profit was SEK 198 M (268) in the fourth quarter and SEK 515 M (489) for the January-December period. Earnings for the quarter were lower year on year, due mainly to provisions made in projects totaling SEK 55 M. The business area reported an increase in profit and operating margin for the January-December period. Profit for the Swedish operations improved.

Product mix Orders received



- Offices 9 (12)%
- Residential 34 (37)%
- Industry/Logistics 3 (2)%
- Refurbishment/Conversion 21 (16)%
- Retail 2 (2)%
- Health Care 8 (10)%
- Educational 8 (9)%
- Public Buildings 8 (3)%
- Other 7 (9)%

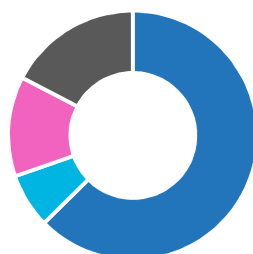
Net sales



- Offices 9 (9)%
- Residential 36 (38)%
- Industry/Logistics 3 (2)%
- Refurbishment/Conversion 21 (23)%
- Retail 3 (3)%
- Health Care 8 (6)%
- Educational 10 (8)%
- Public Buildings 4 (4)%
- Other 6 (7)%

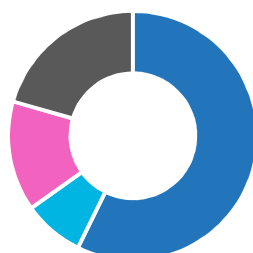
Geographical breakdown

Orders received



- Sweden 63 (61)%
- Norway 7 (7)%
- Denmark 13 (13)%
- Finland 17 (19)%

Net sales



- Sweden 57 (52)%
- Norway 8 (9)%
- Denmark 14 (14)%
- Finland 21 (25)%

NCC Building, SEK M	2017		2016	
	Oct.	-Dec.	Oct.	-Dec.
Orders received	6,701	25,092	8,985	28,738
Order backlog	29,671	29,671	29,159	29,159
Net sales	7,561	24,727	7,411	25,681
Operating profit/loss	198	515	268	489
Financial target:				
Operating margin, % ¹⁾	2.6	2.1	3.6	1.9

¹⁾ Target: operating margin \geq 3.5%

NCC Infrastructure

January-December 2017 period

Orders received and order backlog

Orders received by NCC Infrastructure increased to SEK 7,141 M (5,290) in the quarter and to SEK 21,810 M (18,664) in the January-December period. The Civil Engineering division and the InfraserVICES division both reported higher orders received for the year. The increase was mainly attributed to the Swedish operations, which secured such projects as Korsvägen a phase of the West Link project (order value of SEK 2.3 billion) and the railwayproject Lund-Arlöv (order value of SEK 1 billion).

The order backlog grew by SEK 3,288 M during the year and amounted to SEK 19,711 M (16,423) at the end of the period.

Net sales and earnings

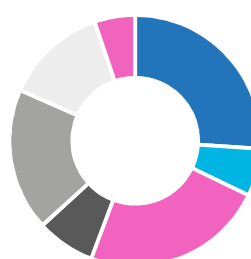
Sales amounted to SEK 6,137 M (5,405) in the quarter and to SEK 18,552 M (17,007) for the full year. The increase in the quarter was the result of higher sales in both the Civil Engineering and InfraserVICES divisions.

NCC Infrastructure's net sales largely comprise earth and groundworks and roads.

The operating result was lower year on year at a loss of SEK 115 M (profit: 77) in the fourth quarter and a loss of SEK 137 M (profit: 162) for the January-December period. The quarterly result was charged with provisions in projects totaling SEK 260 M. The weak operating result for the January-December period is primarily attributable to project impairments and risk provisions.

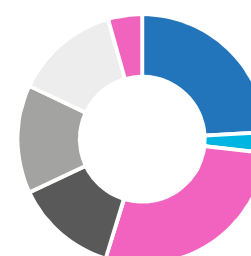
Product mix

Orders received



- Roads 26 (34)%
- Railways 6 (4)%
- Groundworks 24 (26)%
- Operation and maintenance 8 (13)%
- Energy and Water Treatment 18 (12)%
- Industry 13 (7)%
- Other 5 (4)%

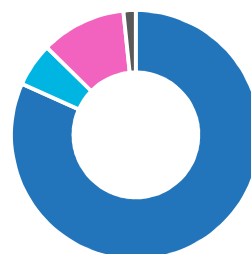
Net sales



- Roads 24 (22)%
- Railways 3 (7)%
- Groundworks 28 (28)%
- Operation and maintenance 13 (17)%
- Energy and Water Treatment 14 (12)%
- Industry 14 (8)%
- Other 4 (6)%

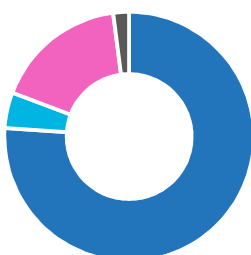
Geographical breakdown

Orders received



- Sweden 81 (72)%
- Denmark 6 (4)%
- Norway 11 (21)%
- Finland 2 (3)%

Net sales



- Sweden 76 (69)%
- Denmark 5 (6)%
- Norway 17 (22)%
- Finland 2 (3)%

NCC Infrastructure, SEK M	2017		2016	
	Oct.	-Dec.	Oct.	-Dec.
Orders received	7,141	21,810	5,290	18,664
Order backlog	19,711	19,711	16,423	16,423
Net sales	6,137	18,552	5,405	17,007
Operating profit/loss	-115	-137	77	162
Financial target:				
Operating margin, % ¹⁾	-1.9	-0.7	1.4	1.0

¹⁾ Target: operating margin \geq 3.5%

NCC Industry

January-December 2017 period

Net sales and earnings

Sales were higher year on year both for the fourth quarter and for the January-December period. Sales totaled SEK 12,393 M (10,760) for the full year. Sales for the stone materials operations were higher in all markets in the January-December period. The asphalt operations reported higher year-on-year sales in Sweden, Norway and Finland but marginally lower in Denmark. For foundation engineering, sales increased in all markets.

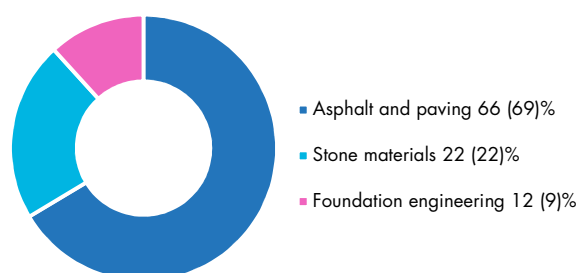
Operating profit improved year on year to SEK 142 M (126) in the fourth quarter and SEK 577 M (533) for the January-December period. Earnings improved in the stone materials and foundation engineering divisions, but were lower in the asphalt operations. Earnings from stone materials operations improved primarily as a result of high construction activity in Sweden and improved earnings in the Finnish and Danish operations. Earnings for foundation engineering improved, driven by high activity in the Swedish market and improved earnings in the Danish market. Profit from asphalt operations declined due to lower activity and intensified competition in Norway and Denmark.

Capital employed

Due to increasing investments, capital employed rose SEK 0.4 year on year and totaled SEK 4.4 billion.

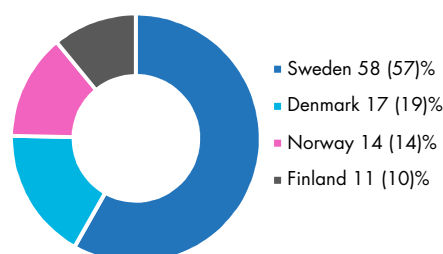
Product mix

Net sales



Geographical breakdown

Net sales



NCC Industry, SEK M	2017	2016	2017	2016
	Oct. -Dec.	Oct. -Dec.	Jan. -Dec.	Jan. -Dec.
Orders received	3,077	2,800	12,522	11,252
Order backlog	3,059	2,883	3,059	2,883
Net sales	3,839	3,240	12,393	10,760
Operating profit/loss	142	126	577	533
Capital employed	4,400	3,975	4,400	3,975
Stone materials, tons ¹⁾	8,822	7,525	31,298	28,110
Asphalt, tons ¹⁾	1,797	1,590	6,509	6,350
Financial targets:				
Operating margin, % ²⁾	3.7	3.9	4.7	4.9
Return on capital employed, % ³⁾			13.1	13.5

1) Sold volume

2) Target: operating margin \geq 4%

3) Target: return on capital employed \geq 10%

NCC Property Development

January-December 2017 period

Net sales and earnings

Net sales amounted to SEK 42 M (1,492) in the fourth quarter and to SEK 2,567 M (2,823) for the full year. No projects were recognized in profit in the fourth quarter. Three projects were recognized in profit in the corresponding period in 2016, all of which were in Sweden.

An operating loss of SEK 48 M (profit: 202) was reported for the fourth quarter, while the operating profit for the full year was SEK 601 M (327). A total of five property projects were recognized in profit in 2017. The Torsplan 2 project in Sweden accounted for the largest share of profit 2017.

Property projects

Construction work commenced on four projects in the fourth quarter: Flintholm 2, Zleep Hotel and Skejby CH Alpha in Denmark, and Önskebrunnen 4 in Sweden. Work commenced on a total of eight (ten) property projects in the January-December period. In addition, two projects were divested during the quarter – Zleep Hotel and Skejby CH Alpha – and these will be recognized in earnings in the first six months of 2019. Leasing for the full year totaled 69,700 square meters (71,900), of which 29,200 square meters (24,600) in the fourth quarter.

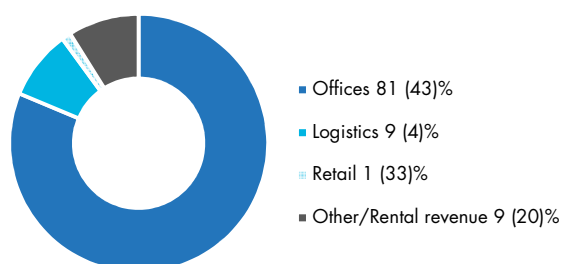
At the end of the fourth quarter, 22 (19) projects were either ongoing or completed but not yet recognized in profit. Costs incurred in all projects totaled SEK 2.4 billion (2.8), corresponding to a completion rate of 45 (59) percent. The leasing rate was 60 (59) percent. The operating net for the January-December period was SEK 50 M (79), of which SEK 10 M (22) related to the fourth quarter.

Capital employed

The decline in capital employed in 2017 compared with 2016 was the result of the divestment of major projects in Sweden and Finland. Capital employed rose SEK 0.3 billion to SEK 4.1 billion in the fourth quarter.

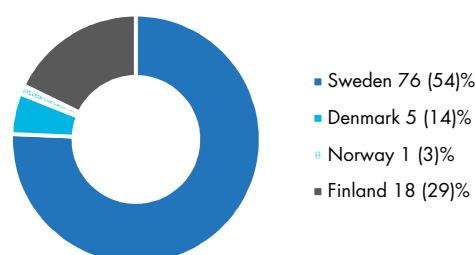
Product mix

Net sales



Geographical breakdown

Net sales



NCC Property Development, SEK M	2017		2016	
	Oct. -Dec.	Oct. -Dec.	Jan. -Dec.	Jan. -Dec.
Net sales	42	1,492	2,567	2,823
Operating profit/loss	-48	202	601	327
Capital employed	4,086	4,450	4,086	4,450
Financial targets:				
Operating margin, % ¹⁾	negative	13.5	23.4	11.6
Return on capital employed, % ²⁾			15.7	7.0

1) Target: operating margin \geq 10%

2) Target: return on capital employed \geq 10%

NCC Property Development

Property development projects as of December 31, 2017 ¹⁾

Ongoing Property development projects

Project	Type	Location	Sold, estimated recognition in profit	Completion ratio, %	Lettable area (sqm)	Letting ratio, %
Flintholm 2	Office	Copenhagen		7	9 300	100
Frederiks Plads 1	Office	Århus		49	5 200	0
Skejby CH Alpha	Office	Århus	Q1 2019	14	6 300	31
Zleep Hotel	Other	Århus	Q2 2019	13	3 200	100
Total Denmark				19	24 000	61
Fredriksberg 1	Office	Helsinki		56	9 000	17
Laajasalo	Retail	Helsinki		38	8 600	87
Total Finland				47	17 600	53
Lysaker PP11	Office	Bærum		35	6 400	78
Valle 1	Office	Oslo		36	7 700	5
Total Norway				35	14 100	41
K11	Office	Solna		19	12 800	28
K12	Office	Solna		24	21 700	95
Arendal 3	Logistics	Gothenburg	Q2 2018	58	6 800	100
Önskebrunnen 4	Logistics	Upplands Bro		8	11 500	42
Multihuset	Other	Malmö		26	19 700	54
Mölnadal Galleria	Retail	Mölnadal	²⁾	84	13 100	65
Total Sweden				35	85 600	66
Total				34	141 300	60

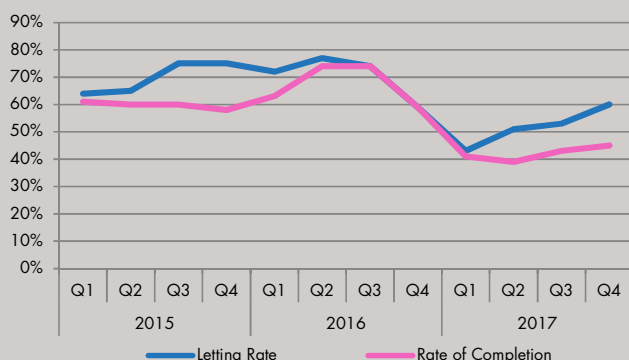
Completed Property development projects

Project	Type	Location	Sold, estimated recognition in profit	Lettable area (sqm)	Letting ratio, %
CH Vallensbæk 4.1	Office	Vallensbæk		6 100	14
Kolding Retailpark	Retail	Kolding		4 000	54
Roskildevej	Retail	Taastrup		4 000	100
Viborg Retail II+III	Retail	Viborg		900	0
Zenit 2	Office	Århus		3 600	88
Total Denmark				18 600	52
Alberga E	Office	Espoo		5 800	49
Suurpelto 1	Retail	Espoo		4 600	99
Total Finland				10 400	71
Stavanger Business Park 1	Office	Stavanger		9 200	44
Total Norway				9 200	44
Total				38 200	57

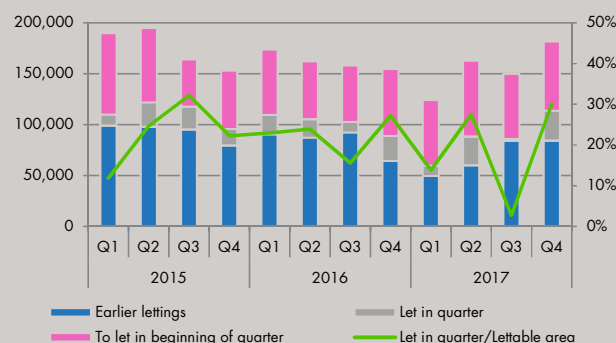
1) The table refers to ongoing or completed property projects that have not yet been recognized as revenue. In addition to these projects, NCC also focuses on rental (rental guarantees / additional purchase) in four previously sold and revenue recognized property projects, a maximum of approximately 10 MSEK.

2) The project covers approximately 25,000 square meters of leasable area and is implemented together with Citycon, a Finnish listed real estate company, in a jointly owned company. The data in the table refer to NCC's share of the project.

Property projects



Leasing



Other

Significant risks and uncertainties

An account of the risks to which NCC may be exposed is presented in the 2016 Annual Report (pages 51–53). This description remains relevant.

Related-party transactions

Related parties are the Nordstjernan Group (including the associated company Bonava), NCC's subsidiaries, associated companies and joint arrangements. Related-party transactions were of a production nature. Related-party sales during the fourth quarter amounted to SEK 633 M (742) and purchases to SEK 61 M (152). Related-party sales for the full-year January-December period amounted to SEK 2,924 M (1,902) and purchases to SEK 224 M (668).

Seasonal effects

NCC Industry's operations and certain operations in NCC Building and NCC Infrastructure are impacted by seasonal variations due to cold weather. Earnings in the first quarter are normally weaker than the rest of the year.

Proposed dividend

The Board's proposal for the 2017 fiscal year is that a dividend of SEK 8.00 be paid per share (8.00), divided between two payment occasions. The proposed record dates are April 13, 2018 for the first payment of SEK 4.00 and November 5, 2018 for the second payment of SEK 4.00.

Annual General Meeting (AGM)

NCC's Annual General Meeting will be held at Vinterträdgården, Grand Hôtel, Royal's entrance hall on Stallgatan 6 in Stockholm, on April 11, 2018. The Meeting will open at 4:30 p.m. A notice convening the AGM will be published in *Post- och Inrikes Tidningar*, and will be posted on NCC's website www.ncc.se on March 8. Confirmation of the notice convening the AGM will be announced in *Dagens Nyheter* and *Svenska Dagbladet*. Motions for resolution by the AGM from the Board and the Nomination Committee will be available on the website, where it will also be possible to register for the AGM.

Nomination Committee's proposals to the AGM

Ahead of the 2018 AGM, NCC's Nomination Committee comprises Viveca Ax:son Johnson (Chairman of the Board of Nordstjernan AB) and Johan Strandberg (Analyst at SEB Fonder), as well as Anders Oscarsson (equity manager AMF/AMF Fonder), with Viveca Ax:son Johnson as Chairman. Tomas Billing, Chairman of the NCC Board of Directors, is a co-opted member of the Nomination Committee but has no voting right.

The Nomination Committee's proposals for the Board of Directors will be presented in a separate press release later and other proposals in the notice convening the AGM.

Repurchase of shares

NCC AB holds 353,323 Series B treasury shares to meet its obligations pursuant to long-term incentive programs.

New accounting policies

NCC applies from January 1, 2018 IFRS 15 Contracts with customers and IFRS 9 Financial instruments. Read more at page 17,

Other significant events

MAJOR ORDERS IN THE FOURTH QUARTER

NCC has launched a partnering arrangement with Global Business Gate for an entirely new office project in the Masthuggskajen district in Gothenburg. The assignment has been divided into two phases, and the total order value is expected to amount to approximately SEK 900 M and be registered among orders in September 2018 when the parties sign the agreement for phase two.

NCC has been selected as the construction partner for a major hospital project in Oulu, Finland. The project includes two new buildings – a women's and children's hospital, and the first phase of a new main hospital. The customer is the Joint Municipal Authority of the Health Care District of Northern Ostrobothnia. The total order value is approximately SEK 705 M.

The Swedish Transport Administration has selected NCC, in consortium with the German company Wayss & Freytag Ingeniurbau AG, to build the Korsvägen phase of the West Link project. NCC's share of the order value amounts to SEK 2.3 billion.

NCC has been commissioned to conduct extensive infrastructure work for the Markbygden ETT wind farm in Piteå. The contract value is approximately SEK 800 M. NCC began work in June 2017 and most of its work is scheduled to be completed in late 2018.

Events after the close of the quarter

Tomas Carlsson has been appointed the new President and CEO of NCC. Tomas is currently employed at the listed architecture and engineering consultancy Sweco. He previously worked at NCC for nearly 20 years, most recently as the Head of NCC's construction operations in Sweden. Tomas Carlsson will take up his new position at NCC by July 2018 at the latest, replacing acting President and CEO Håkan Broman.

Kenneth Nilsson has been appointed new head of the NCC Infrastructure business area and will become a member of the Executive Management Team. Kenneth Nilsson joins NCC from Skanska, where he most recently served as the head of Skanska Civil East in the US. Kenneth Nilsson will take up his new position on April 3, 2018, replacing acting Business Area Manager Göran Landgren.

Reporting occasions in 2018

2017 Annual Report	week 11, 2018
Interim report, Jan-Mar 2018	April 25, 2018
Interim report, Jan-Jun 2018	July 18, 2018
Interim report, Jan-Sep 2018	October 25, 2018
Year-end report 2018	January 2019

Signatures

Solna, January 25, 2018

Håkan Broman
Acting President and CEO

This report is unaudited.

Condensed consolidated income statement

SEK M	Note 1	2017	2016	2017	2016
		Oct. -Dec.	Oct. -Dec.	Jan. -Dec.	Jan. -Dec.
CONTINUING OPERATIONS					
Net sales		16,318	16,519	54,608	52,934
Production costs	Note 3	-15,417	-15,032	-50,460	-48,484
Gross profit		902	1,487	4,148	4,450
Selling and administrative expenses	Note 3	-916	-823	-2,933	-2,912
Other operating income/expenses		17	-3	26	-85
Operating profit/loss		2	661	1,242	1,453
Financial income		11	4	39	26
Financial expense ¹⁾		-32	-35	-130	-138
Net financial items		-21	-31	-91	-112
Profit/loss after financial items		-19	630	1,150	1,341
Tax		53	-98	-141	-225
Net profit/ loss for the period from continuing operations		34	532	1,009	1,116
DISCONTINUED OPERATION					
Discontinued operation, net after tax			-31		6,867
Net profit/loss for the period from discontinued operation	Note 4		-31		6,867
CONTINUING AND DISCONTINUED OPERATIONS					
Net profit/loss for the period from continuing and discontinued operations		34	501	1,009	7,983
Attributable to:					
NCC's shareholders		33	502	1,004	7,980
Non-controlling interests		1	-1	5	3
Net profit/loss for the period		34	501	1,009	7,983
Earnings per share					
Before dilution					
Net profit/loss for the period, SEK		0.30	4.64	9.29	73.81
After dilution					
Net profit/loss for the period, SEK		0.30	4.64	9.29	73.81
Earnings per share from continuing operations					
Before dilution					
Net profit/loss for the period, SEK		0.30	4.93	9.29	10.30
After dilution					
Net profit/loss for the period, SEK		0.30	4.93	9.29	10.30
Number of shares, millions					
Total number of issued shares		108.4	108.4	108.4	108.4
Average number of shares outstanding before and after dilution during the period		108.1	108.1	108.1	108.1
Number of shares outstanding before dilution at the end of the period		108.1	108.1	108.1	108.1

¹⁾ Whereof interest expenses for the period Jan.- Dec. 2017 amounting to SEK 107 M (118). For information about discontinued operations, refer to note 4.

Consolidated statement of comprehensive income

SEK M	Note 1	2017	2016	2017	2016
		Oct. -Dec.	Oct. -Dec.	Jan. -Dec.	Jan. -Dec.
Net profit/loss for the period		34	501	1,009	7,983
Items that have been recycled or should be recycled to net profit/loss for the period					
Exchange differences on translating foreign operations		26	-7	25	165
Change in hedging/fair value reserve		-5	5	-7	-34
Cash flow hedges		11	31	-3	103
Income tax relating to items that have been or should be recycled to net profit/loss for the period		-1	-8	2	-15
		31	20	17	219
Items that cannot be recycled to net profit/loss for the period					
Revaluation of defined benefit pension plans		142	401	-250	-590
Income tax relating to items that cannot be recycled to net profit/loss for the period		-31	-88	55	130
		111	313	-195	-460
Other comprehensive income		142	334	-178	-241
Total comprehensive income		176	835	831	7,742
Attributable to:					
NCC's shareholders		175	836	826	7,739
Non-controlling interests		1	-1	5	3
Total comprehensive income		176	835	831	7,742

Condensed consolidated balance sheet

SEK M	Note 1	2017 Dec. 31	2016 Dec. 31
ASSETS			
Fixed assets			
Goodwill		1,848	1,851
Other intangible assets		335	275
Owner-occupied properties		880	814
Machinery and equipment		2,712	2,569
Long-term holdings of securities		129	125
Long-term interest-bearing receivables		575	361
Other long-term receivables		26	62
Deferred tax assets		239	97
Total fixed assets		6,743	6,154
Current assets			
Properties held for future development		1,696	1,780
Ongoing property projects		1,039	1,440
Completed property projects		870	808
Housing properties held for future development			16
Materials and inventories		764	713
Tax receivables		241	42
Accounts receivable		8,882	7,682
Worked-up, non-invoiced revenues		1,671	1,737
Prepaid expenses and accrued income		1,170	1,061
Current interest-bearing receivables		167	152
Other receivables		687	446
Short-term investments ¹⁾		41	190
Cash and cash equivalents		3,063	3,093
Total current assets		20,292	19,161
Total assets		27,035	25,315
EQUITY			
Share capital		867	867
Other capital contributions		1,844	1,844
Reserves		-113	-125
Profit/loss brought forward, including current-year profit/loss		2,919	2,967
Shareholders' equity		5,516	5,553
Non-controlling interests		12	13
Total shareholders' equity		5,528	5,566
LIABILITIES			
Long-term liabilities			
Long-term interest-bearing liabilities		1,669	2,288
Other long-term liabilities		54	54
Provisions for pensions and similar obligations		1,407	1,008
Deferred tax liabilities		438	407
Other provisions		1,889	1,686
Total long-term liabilities		5,456	5,443
Current liabilities			
Current interest-bearing liabilities		919	723
Accounts payable		5,179	4,427
Tax liabilities		95	115
Invoiced revenues not worked-up		5,574	4,355
Accrued expenses and prepaid income		3,207	3,205
Provisions		24	21
Other current liabilities		1,052	1,460
Total current liabilities		16,051	14,306
Total liabilities		21,507	19,749
Total shareholders' equity and liabilities		27,035	25,315

¹⁾ Includes short-term investments with maturities exceeding three months, see also cash-flow statement.

Condensed changes in shareholders' equity, Group

SEK M	Dec. 31, 2017			Dec. 31, 2016		
	Shareholders' equity	Non-controlling interests	Total shareholders' equity	Shareholders' equity	Non-controlling interests	Total shareholders' equity
Opening balance, January 1st	5,553	13	5,566	9,691	23	9,714
Total comprehensive income	826	5	831	7,739	3	7,742
Sale/Acquisition of non-controlling interests				3		3
Dividend	-865	-6	-871	-324	-13	-337
Dividend, Bonava				-11,563		-11,563
Listing costs				-63		-63
Sale/Acquisition of treasury shares	-4		-4	60		60
Performance based incentive program	5		5	8		8
Closing balance	5,516	12	5,528	5,553	13	5,566

If the principles for accounting for pensions, IAS19, applied before 1 January 2013, had been used, the equity would have been SEK 2,186 M higher and net indebtedness SEK 1,407 M lower at December 31 2017.

Condensed consolidated cash flow statement

SEK M	2017		2016	
	Oct. -Dec.	Oct. -Dec.	Jan. -Dec.	Jan. -Dec.
OPERATING ACTIVITIES				
Profit / loss after financial items, continuing operations	-19	630	1,150	1,341
Profit / loss after financial items, discontinued operations		-32		6,902
Adjustments for items not included in cash flow	467	273	1,112	-6,336
Taxes paid	-128	-100	-432	-401
Cash flow from operating activities before changes in working capital	320	771	1,830	1,506
Cash flow from changes in working capital				
Divestment of property projects	106	1,118	1,630	2,118
Gross investments in property projects	-315	-348	-1,152	-1,612
Divestment of housing projects		26		2,548
Gross investments in housing projects		3		-3,154
Other changes in working capital	1,371	1,199	-150	-237
Cash flow from changes in working capital	1,162	1,997	328	-336
Cash flow from operating activities	1,482	2,769	2,158	1,170
INVESTING ACTIVITIES				
Acquisition/Sale of subsidiaries and other holdings ¹⁾	-22	-20	-96	-496
Acquisition/Sale of tangible fixed assets	-201	-219	-645	-613
Acquisition/Sale of other fixed assets	-15	-9	-56	-72
Cash flow from investing activities	-237	-248	-797	-1,181
Cash flow before financing	1,245	2,521	1,361	-11
FINANCING ACTIVITIES				
Cash flow from financing activities ²⁾	-607	-929	-1392	-1,087
Cash flow during the period	639	1,591	-31	-1,099
Cash and cash equivalents at beginning of period	2,414	1,500	3,093	4,177
Effects of exchange rate changes on cash and cash equivalents	11	2	1	15
Cash and cash equivalents at end of period	3,063	3,093	3,063	3,093
Short-term investments due later than three months	41	190	41	190
Total liquid assets at end of period	3,104	3,283	3,104	3,283

For information about Bonava's impact on the Group's cash flow in each section, see note 4, Discontinued operations.

¹⁾ Bonava's cash and cash equivalents are included with SEK -658 M for the Jan-Dec 2016.

²⁾ Of the total determined dividend of SEK 865 M, SEK 324 M has been paid during the second quarter. The remaining part, SEK 541 M was paid in November 2017.

Parent Company condensed income statement

SEK M	Note 1	2017		2016	
		Oct. -Dec.	Oct. -Dec.	Jan. -Dec.	Jan. -Dec.
Net sales		55	4,112	188	20,873
Production costs			-3,554		-19,167
Gross profit		55	558	188	1,706
Selling and administrative expenses		-132	-272	-403	-1,244
Impairment losses					-88
Operating profit		-77	286	-215	374
Result from financial investment					
Result from participations in Group companies		11	-58	629	823
Result from participations in associated companies					30
Result from other financial fixed assets				12	1
Result from financial current assets			5	4	9
Interest expense and similar items		-5	-34	-19	-109
Result after financial items		-70	199	411	1,129
Appropriations		55	287	582	287
Tax on net profit for the period		-9	-102	-90	-110
Net profit for the period		-24	384	903	1,306

The commission relationship between NCC AB and NCC Sverige AB was discontinued on January 1, 2017. During 2016 NCC Sverige AB was included in the Parent Company, when it conducted operations on a commission basis on behalf of NCC AB. Accordingly, the employees' employment was transferred from NCC AB to NCC Sverige AB. Appropriations pertaining to the operations no longer conducted in the Parent Company were reversed to NCC AB during the first quarter. The Parent Company currently consists primarily of head office functions plus a branch in Norway. Net sales pertain to charges to Group companies. The average number of employees was 74 (6,569).

Total dividends to the shareholders amount to SEK 865 M. Dividends from subsidiaries have been received in an amount of SEK 629 M.

Parent Company condensed balance sheet

SEK M	Note 1	2017		2016	
		Dec. 31	Dec. 31	Dec. 31	Dec. 31
ASSETS					
Fixed assets					
Intangible fixed assets			38		108
Tangible fixed assets			8		86
Financial fixed assets			4,729		4,595
Total fixed assets			4,774		4,789
Current assets					
Materials and inventories					57
Current receivables			402		4,338
Cash and bank balances			1,100		2
Treasury balances			863		5,833
Total current assets			2,365		10,231
Total assets			7,139		15,020
SHAREHOLDERS' EQUITY AND LIABILITIES					
Shareholders' equity			3,768		3,677
Untaxed reserves					527
Provisions			9		569
Long term liabilities			2,049		2,072
Current liabilities			1,313		8,175
Total shareholders' equity and liabilities			7,139		15,020

Notes

Note 1. Accounting policies

Group

This interim report has been compiled pursuant to IAS 34 Interim Financial Reporting. The interim report has been prepared in accordance with the International Financial Reporting Standards (IFRS) and the interpretations of prevailing accounting standards issued by the International Financial Reporting Interpretations Committee (IFRIC), as approved by the EU.

The interim report has been prepared pursuant to the same accounting policies and methods of calculation as the 2016 Annual Report (Note 1, pages 64–70).

During 2016, the operations of Bonava were recognized in accordance with IFRS 5, Fixed Assets Held for Sale and Discontinued Operations. Accordingly, inter-company volumes from Bonava have not been eliminated from the income statement, nor have inter-company gains between Building and Bonava. Neither are internal volumes from Bonava eliminated from the order backlog and orders received.

Bonava's net after-tax profit is recognized on one line in the income statement.

Bonava's profit after net financial items is recognized separately in the cash flow statement, following which Bonava as a whole is included.

IFRS 15 Revenue from Contracts with Customers

NCC has conducted an analysis of the impact of IFRS 15 for material revenue streams. As a result, NCC has identified two revenue streams where IFRS 15 has a material impact on NCC's financial statements.

The first revenue stream concerns the Building and Infrastructure business areas and relates to contract modifications covering alterations and supplementary work, compensation for shortcomings in tender specifications and similar items. The requirement to report revenue in the

forementioned situations is higher under IFRS 15 than under IAS 11, in terms of both the documented right to, and probability of, payment from the customer. NCC has estimated the effect of these stricter requirements to SEK 450 M for contracts that were not completed on January 1, 2018 (which entails a reduction in equity on January 1, 2018 of SEK 346 M, net after tax), of which contracts amounting to SEK 282 M were not completed on January 1, 2017. In total, this entails a reduction in operating profit for 2017 of SEK 168 M and a reduction in equity on January 1, 2017 of SEK 216 M, net after tax.

The second revenue stream concerns development of commercial properties for which the analysis is ongoing regarding a transition to recognizing revenue over time. A transition should not have an effect on equity per January 1, 2018.

IFRS 9 Financial Instruments

IFRS 9 introduces new rules on areas including the recognition and measurement of financial instruments, impairment of financial instruments and hedge accounting.

NCC has analyzed the effects of IFRS 9 and has concluded that the new rules do not impact the Group's financial position given that IFRS 9 does not significantly impact measurement. Furthermore, IFRS 9 does not entail any significant effect on NCC's hedge accounting or – based on IFRS 9's methodology and NCC's history – on NCC's provisions for credit losses.

Parent Company

The Parent Company has prepared its interim report pursuant to the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities.

The interim report for the Parent Company has been prepared in accordance with the same accounting policies and methods of calculation as the 2016 Annual Report (Note 1, pages 64–70).

Note 2. Segment reporting

SEK M

October - December 2017	NCC Building	NCC Infrastructure	NCC Industry	NCC Property Development	Total segments	Other and eliminations ¹⁾	Group
Net sales, external	7,114	6,018	3,155	30	16,317	2	16,318
Net sales, internal	447	119	684	12	1,262	-1,262	
Net sales, total	7,561	6,137	3,839	42	17,578	-1,260	16,318
Operating profit	198	-115	142	-48	177	-175	2
Net financial items							-21
Profit/loss after financial items							-19

October - December 2016	NCC Building	NCC Infrastructure	NCC Industry	NCC Property Development	Total segments	Other and eliminations ¹⁾	Group
Net sales, external	7,121	5,224	2,699	1,475	16,519		16,519
Net sales, internal	290	181	541	17	1,029	-1,029	
Net sales, total	7,411	5,405	3,240	1,492	17,548	-1,029	16,519
Operating profit	268	77	126	202	672	-11	661
Net financial items							-31
Profit/loss after financial items							630

SEK M

January - December 2017	NCC Building	NCC Infrastructure	NCC Industry	NCC Property Development	Total segments	Other and eliminations ²⁾	Group
Net sales, external	23,639	18,115	10,343	2,505	54,601	7	54,608
Net sales, internal	1,089	437	2,050	62	3,638	-3,638	
Net sales, total	24,727	18,552	12,393	2,567	58,239	-3,631	54,608
Operating profit	515	-137	577	601	1,556	-314	1,242
Net financial items							-91
Profit/loss after financial items							1,150

January - December 2016	NCC Building	NCC Infrastructure	NCC Industry	NCC Property Development	Total segments	Other and eliminations ²⁾	Group
Net sales, external	24,467	16,481	9,230	2,756	52,934		52,934
Net sales, internal	1,214	526	1,530	67	3,337	-3,337	
Net sales, total	25,681	17,007	10,760	2,823	56,271	-3,337	52,934
Operating profit	489	162	533	327	1,510	-57	1,453
Net financial items							-112
Profit/loss after financial items							1,341

¹⁾ The figures for the quarter include among others NCC's head office and results from small subsidiaries and associated companies, totalling an expense of SEK 78 M (expense: 138). Further, the figures for the quarter includes eliminations of internal profits amounting to an expense of SEK 22 M (income: 9) and other Group adjustments, mainly consisting of differences of accounting policy between the segments and the Group (including pensions) and a provision for restructuring amounting to an expense of SEK 75 M (income: 118).

²⁾ The figures for the period include among others NCC's head office and results from small subsidiaries and associated companies, totalling an expense of SEK 134 M (expense: 280), whereof SEK 88 M previous year relates to discontinued development and implementation of a common HR system. Further, the figures includes eliminations of internal profits amounting to an income of SEK 10 M (income: 109) and other Group adjustments, mainly consisting of differences of accounting policy between the segments and the Group (including pensions) and a provision for restructuring amounting to an expense of SEK 190 M (income: 114).

Note 3. Depreciation/amortization

SEK M	2017	2016	2017	2016
	Oct. -Dec.	Oct. -Dec.	Jan. -Dec.	Jan. -Dec.
Other intangible assets	-16	-32	-65	-82
Owner-occupied properties	-9	-7	-31	-24
Machinery and equipment	-152	-164	-621	-620
Total depreciation ¹⁾	-178	-203	-718	-726

¹⁾ Excluding impairments. Impairments for the period Jan. - Dec. 2017 amounts to SEK 7 M (97).

Note 4. Discontinued operations

In June 2016, NCC spun off the shares in Bonava to the shareholders. The first day of trading on Nasdaq Stockholm was June 9, 2016, and the final prices paid were SEK 106.50 per Series B share and SEK 107.50

per Series A share, resulting in market capitalization of some SEK 11.5 billion. This generated a capital gain on the spinoff of Bonava of SEK 6,724 M.

Income statement

	2016 Jan-7 Jun	2016 Jan-Dec
Net sales	3,243	3,243
Production costs	-2,710	-2,710
Selling and administrative expenses	-231	-231
Operating profit/loss	303	303
Net financial items	-124	-124
Profit/loss after financial items	179	179
Tax	-36	-36
Net profit/loss for the period from discontinued operation	143	143
Capital gain from disposal of discontinued operation	6,755	6,724
Net profit from discontinued operation after tax	6,898	6,867
Comprehensive income for operation available for distribution	4	4
Earnings per share	1.32	1.32

Cash flow

	2016 Jan-7 Jun	2016 Jan-Dec
Below the effects on cashflow from discontinued operations are stated:		
Cash flow from operating activities before changes in working capital	105	105
Cash flow from operating activities	-708	-708
Cash flow from investing activities	-81	-81
Cash flow from financing activities	754	754
Cash flow during the period from discontinued operations	70	70

Note 5. Acquisition of operations

On November 1, 2017, NCC Industry AS acquired Peab's foundation engineering operations in Norway with about 80 employees from NFT AS. Through its Hercules division, NCC will thus become one of Norway's leading foundation engineering companies with nationwide coverage.

On December 1, 2017, NCC Industry AB acquired the rock blasting operations of Voglers Sverige AB. The business is specialized in rock blasting for the ballast

industry and has about 25 employees. The transaction strengthens NCC Industry's position in southern and western Sweden and complements NCC's existing rock-blasting operations in the Stone Materials division in Sweden.

These acquisitions are not considered to have any material impact on earnings or financial position for the fourth quarter.

Note 6. Fair value of financial instruments

In the tables below, disclosures are made concerning how fair value has been determined for the financial instruments that are continuously measured at fair value in NCC's balance sheet. When determining fair value, assets have been divided into three levels. No transfers were made between the levels during the period.

In level 1, measurement complies with prices quoted on an active market for the same instruments. Derivatives in level 2 comprise currency-forward contracts, interest-rate

swaps, oil forward contracts and electricity forward contracts used for hedging purposes. The measurement to fair value of currency-forward contracts, oil forward contracts and electricity forward contracts is based on customary models with observable input data such as interest rates, exchange rates and commodity prices. The measurement of interest-rate swaps is based on forward interest rates prepared based on observable yield curves. NCC has no financial instruments in level 3.

SEK M	Dec. 31, 2017			Dec. 31, 2016		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Financial assets measured at fair value through profit and loss						
Securities held for trading	10		10	99		99
Derivative instruments		43	43		70	70
Derivative instruments used for hedge accounting		45	45		36	36
Total assets	10	88	98	99	106	205
Financial liabilities measured at fair value through profit and loss						
Derivative instruments		3	3		14	14
Derivative instruments used for hedge accounting		55	55		35	35
Total liabilities	0	58	58	0	49	49

In the tables below, disclosures are made concerning fair value for the financial instruments that are not recognized at fair value in NCC's balance sheet.

SEK M	Dec. 31, 2017		Dec. 31, 2016	
	Carrying amount	Fair value	Carrying amount	Fair value
Long-term interest-bearing receivables held to maturity	131	131	63	63
Short-term investments held to maturity	30	30	91	92
Long-term interest-bearing liabilities	1,669	1,676	2,288	2,311
Current interest-bearing liabilities	919	925	723	726

For financial instruments recognized at amortized cost - accounts receivables, other receivables, cash and cash equivalents, accounts payable and other interest-free liabilities - the fair value is deemed to not materially deviate from the carrying amount.

Note 7. Pledged assets, contingent liabilities and guarantee obligations

SEK M	2017	2016
Group	Dec. 31	Dec. 31
Assets pledged	429	377
Contingent liabilities and guarantee obligations ¹⁾	510	768
Parent company		
Contingent liabilities and guarantee obligations ¹⁾	19,280	11,882

1) For these sureties, NCC AB is indemnified by Bonava AB based on the Master Separation Agreement. Bonava is working on formally replacing these sureties with other forms of collateral in a gradual process, which means that this item will decline further over time. In addition, NCC AB has received guarantees from credit insurance companies for the remaining outstanding commitments on behalf of now wholly owned Bonava companies.

Summary of key figures

	2017	2016	2017	2016	2015	2014	2013	2012 ³⁾	2012
	Oct.-Dec.	Oct.-Dec.	Jan.-Dec.	Jan.-Dec.	Jan.-Dec.	Jan.-Dec.	Jan.-Dec.	Jan.-Dec.	Jan.-Dec.
Profitability ratios									
Return on shareholders equity, % ¹⁾⁴⁾	18	19	18	19	26	22	26	28	23
Return on shareholders equity, % ¹⁾⁵⁾	18	118	18	118	26	22	26	28	23
Return on capital employed, % ¹⁾⁴⁾	13	13	13	13	17	14	15	17	15
Return on capital employed, % ¹⁾⁵⁾	13	63	13	63	17	14	15	17	15
Financial ratios at period-end									
EBITDA % ⁴⁾	1.1	4.9	3.6	4.7	6.2	5.8	5.9	5.6	5.6
EBITDA % ⁵⁾	1.1	5.1	3.6	17.0	6.2	5.8	5.9	5.6	5.6
Interest-coverage ratio, times ¹⁾⁴⁾	9.8	6.6	9.8	6.6	7.1	6.4	7.8	7.5	7.0
Interest-coverage ratio, times ¹⁾⁵⁾	9.8	31.1	9.8	31.1	7.1	6.4	7.8	7.5	7.0
Equity / asset ratio, %	20	22	20	22	25	23	22	20	23
Interest bearing liabilities/total assets, %	15	16	15	16	24	26	25	26	24
Net cash +/ net debt -, SEK M	-149	-222	-149	-222	-4,552	-6,836	-5,656	-6,467	-6,061
Debt / equity ratio, times	0.0	0.0	0.0	0.0	0.5	0.8	0.7	0.8	0.7
Capital employed at period end, SEK M	9,523	9,585	9,523	9,585	19,093	18,935	18,345	17,285	18,241
Capital employed, average	9,418	13,474	9,418	13,474	18,672	18,531	18,005	15,755	16,632
Capital turnover rate, times ¹⁾	5.8	4.1	5.8	4.1	3.3	3.1	3.2	3.6	3.4
Share of risk-bearing capital, %	22	24	22	24	25	23	23	21	25
Closing interest rate, %	2.0	2.6	2.0	2.6	2.8	2.8	3.3	3.6	3.6
Average period of fixed interest, years	0.6	0.9	0.6	0.9	0.9	1.1	1.2	1.1	1.1
Per share data									
Profit / loss after tax, before dilution, SEK ⁴⁾	0.30	4.93	9.29	11.61	19.59	17.01	18.40	17.62	17.51
Profit / loss after tax, after dilution, SEK ⁴⁾	0.30	4.93	9.29	11.61	19.59	17.01	18.40	17.62	17.51
Profit / loss after tax, before dilution, SEK ⁵⁾	0.30	4.64	9.29	73.81	19.59	17.01	18.40	17.62	17.51
Profit / loss after tax, after dilution, SEK ⁵⁾	0.30	4.64	9.29	73.81	19.59	17.01	18.40	17.62	17.51
Cash flow from operating activities, after dilution, SEK	13.71	25.67	19.97	10.88	37.65	12.47	23.46	-0.24	-0.24
Cash flow before financing, after dilution, SEK	11.51	23.38	12.59	-0.05	30.88	5.32	15.40	-8.61	-8.61
P / E ratio ¹⁾⁴⁾	17	19	17	19	13	15	11	8	8
P / E ratio ¹⁾⁵⁾	17	3	17	3	13	15	11	8	8
Dividend, ordinary, SEK	8.00		8.00	8.00	3.00	12.00	12.00	10.00	10.00
Dividend yield, %			5.1	3.5	1.1	4.9	5.7	7.3	7.3
Shareholders' equity before dilution, SEK	51.04	51.39	51.04	51.39	89.85	82.04	80.24	70.58	82.97
Shareholders' equity after dilution, SEK	51.04	51.39	51.04	51.39	89.85	82.04	80.24	70.58	82.97
Share price / shareholders' equity, %	308	439	308	439	293	301	262	193	164
Share price at period-end, NCC B, SEK	157.30	225.40	157.30	225.40	263.00	246.80	209.90	136.20	136.20
Number of shares, millions									
Total number of issued shares ²⁾	108.4	108.4	108.4	108.4	108.4	108.4	108.4	108.4	108.4
Treasury shares at period-end	0.4	0.4	0.4	0.4	0.6	0.6	0.6	0.4	0.4
Total number of shares outstanding at period-end before dilution	108.1	108.1	108.1	108.1	107.9	107.8	107.8	108.0	108.0
Average number of shares outstanding before dilution during the period	108.1	108.1	108.1	108.1	107.9	107.8	107.9	108.2	108.2
Market capitalization before dilution, SEK M ⁶⁾	16,997	24,325	16,997	24,325	28,369	26,574	22,625	14,706	14,706
Personnel									
Average number of employees	17,762	16,793	17,762	16,793	17,872	17,669	18,360	18,175	18,175

1) Calculations are based on the rolling 12 month period.

2) All shares issued by NCC are common shares.

3) The amounts are adjusted for change in accounting policy regarding IAS 19.

4) When calculating the key figure the profit arising from the dividend of Bonava, expense SEK 31M respectively income SEK 6,724 M that arose from the spinoff of Bonava has been excluded.

5) When calculating the key figure the profit arising from the dividend of Bonava, expense SEK 31M respectively income SEK 6,724 M that arose from the spinoff of Bonava has been excluded.

6) Market value December 2016 excludes NCC's housing business, Bonava. Including Bonava the market value amounts to SEK 39 563 M.

For definitions of key figures, see www.ncc.group/investor-relations/financial-data/financial-definitions.

NCC in brief

NCC is one of the leading Nordic construction and property development companies. With the Nordic region as its home market, NCC is active throughout the value chain – developing and building commercial properties and constructing housing, offices, industrial facilities and public buildings, roads, civil engineering structures and other types of infrastructure. NCC also offers input materials used in construction and accounts for paving and road services. NCC creates future environments for working, living and communication based on responsible construction operations that result in sustainable interaction between people and the environment.

Vision

We will renew our industry providing superior sustainable solutions.

Business concept – responsible enterprise

NCC develops and builds future environments for working, living and communication. Supported by its values, NCC and its customers jointly identify needs-based, cost-effective and high-quality solutions that generate added value for all of NCC's stakeholders and contribute to sustainable social development.

Core values

The company's values and Code of Conduct function as the backbone for the way NCC works and operates. They also jointly serve as a compass for how employees are to conduct themselves and act in everyday situations, and provide guidance when decisions have to be made.

- HONESTY
- RESPECT
- TRUST
- PIONEERING SPIRIT

Organization

NCC conducts integrated construction and development operations in the Nordic region. The company has three businesses – Industrial, Construction and civil engineering and Development – and as of January 1, 2016 is organized in four business areas



NCC Building



NCC Infrastructure



NCC Industry



NCC Property
Development

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Information meeting


An information meeting with an integrated Internet and telephone conference will be held on January 25 at 10:00 a.m. at Tändstickspalatset, Västra Trädgårdsgatan 15 in Stockholm. The presentation will be held in English. To participate in this teleconference, call +46 8 519 993 55 (SE), +44 203 194 05 50 (UK), or +1 855 269 26 05 (US) five minutes prior to the start of the conference. State "NCC."

This is the type of information that NCC is obligated to disclose pursuant to the EU Market Abuse Regulation. The information was issued for publication through the agency of the contact persons set out above on January 25, 2018, at 8:00 a.m. CET.



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