

Q1  
2024



# Stable start to the year

“The year started as we anticipated, stable with normal seasonal effects and some impact from the market situation for residential units and property sales.”

Tomas Carlsson, President and CEO of NCC

- Good orders received in Infrastructure and Industry. Lower orders received in construction operations with a tough comparative quarter – in the first quarter of 2023, Building Nordics registered two large orders in Denmark totaling SEK 3.7 billion
- Net sales were impacted by lower sales in Property Development
- Operating profit seasonally low and impacted by one logistics project in Property Development being recognized in profit, compared with a major office project in the preceding year
- Cash flow from operating activities at the same level as the preceding year
- The Annual General Meeting resolved in favor of a dividend of SEK 8.00 (6.00) per share for 2023, divided between two payment occasions

## First quarter of 2024

- Orders received amounted to SEK 13,353 M (16,288)
- Net sales totaled SEK 11,561 M (12,464)
- Operating profit/loss amounted to SEK -100 M (152)
- Profit/loss after financial items totaled SEK -117 M (185)
- Profit/loss after tax was SEK -93 M (153)
- Earnings per share after dilution amounted to -0.95 (1.56)

| SEK M                                     | Q1     |        | R12 Apr-Mar | Jan-Dec |
|---|--------|--------|-------------|---------|
|   | 2024   | 2023   | 2023/2024   | 2023    |
| Orders received                           | 13,353 | 16,288 | 53,884      | 56,819  |
| Order backlog                             | 56,270 | 58,910 | 56,270      | 53,422  |
| Net sales                                 | 11,561 | 12,464 | 56,029      | 56,932  |
| Operating profit/loss                     | -100   | 152    | 1,550       | 1,802   |
| Operating margin, %                       | -0.9   | 1.2    | 2.8         | 3.2     |
| Profit/loss after financial items         | -117   | 185    | 1,502       | 1,803   |
| Net profit/loss for the period            | -93    | 153    | 1,327       | 1,573   |
| Profit/loss per share after dilution, SEK | -0.95  | 1.56   | 13.59       | 16.11   |
| Cash flow from operating activities       | 191    | 190    | 808         | 807     |
| Cash flow before financing                | 42     | 19     | 384         | 361     |
| Net cash +/Net debt -                     | -4,530 | -3,251 | -4,530      | -4,310  |

For definitions of key figures, see [ncc.com/investor-relations/ncc-share/financial-definitions/](https://ncc.com/investor-relations/ncc-share/financial-definitions/)

# CEO Tomas Carlsson comments

2024 has in many ways begun as 2023 ended. The market remains divided. Large parts, such as infrastructure and public buildings, are performing well and have good prospects going forward. The markets for residential units, offices and property transactions are impacted by the current interest rate situation. Signals of interest rate cuts are positive but not yet sufficient to yield a tangible effect. The year's first quarter was impacted, as always, by seasonal effects in several business areas.

The Infrastructure business area reported a good level of orders received in the quarter and a continued favorable market in all the three countries in which it currently operates. Operating profit was slightly higher year-on-year on the back of slightly lower sales. A major road and tunnel project in Norway was the largest order in the quarter.

Building Nordics has a strong order backlog. Orders received were lower than in the preceding year, which was a tough comparative quarter as two major projects were registered in Denmark last year, though we were also impacted by a weaker market, particularly in Finland.

Building Sweden was fundamentally successful in its work to address the lower activity in the residential market, but we can still see some impact on volumes, which is not unexpected. We are adapting operations and focusing on the areas of the country and the segments with projects that suit us, and we have maintained a high level of discipline in selecting the right projects in a tough competitive environment.

We now have a new business area, NCC Green Industry Transformation, which is pursuing the ongoing dialogues related to major industrial projects driven by the green transition.

For asphalt operations in the Industry business area, the first quarter is about sales and preparing for the season. We can confirm that orders received were favorable – more than 20 percent higher year-on-year in the business area. We won several large and important contracts, and have shown that our efforts to reduce climate change



effects are increasingly important for our customers in tendering processes. Stone materials operations are performing well albeit with slightly lower volumes.

One logistics project was recognized in profit during the quarter but otherwise no projects were started or sold. Our portfolio now comprises ten high-quality office projects in Sweden and Finland. Letting activities are proceeding as planned. We remain committed to our plan to proceed with sales when the market situation is more stable, and we are actively preparing for new projects.

In our industry, it is always somewhat difficult to draw conclusions based on the year's first quarter given that it is characterized by seasonal effects. It will also take time before the expectation of future interest rate cuts and lower inflation will have an effect on the business. There is still some degree of hesitancy and caution among our customers.

Nonetheless, I look upon the first quarter as clear confirmation of continuing stability throughout NCC, of the strength of our segment prioritization that will yield growth opportunities in the future, and of our ability to maintain our established course, toward a permanently higher level of value generation.

Tomas Carlsson, President and CEO  
Solna, May 3, 2024

# Group performance

## Market

In the main, NCC is impacted by the general economic situation and the GDP trend. Cost increases, high interest rates and uncertainty about future economic development have a dampening effect on the market. High interest rates also affect interest in investing in new properties. Over the long term, higher prices could lead to lower demand, especially in certain segments such as residential units, offices and projects financed by municipalities and regions. There is significant uncertainty concerning future economic developments despite signals indicating a stabilization.

At the same time, the long-term market conditions for contracting operations, property development and industrial operations in the Nordic region remain positive. There are plans for large industrial investments in parts of Sweden. There is an underlying demand for public buildings, such as schools, prisons, hospitals and retirement homes. However, the economic situation in municipalities and regions could reduce or delay demand in some cases.

Urban expansion and the emergence of new growth regions are driving initiatives for infrastructure in city areas, including roads, public transport, water and wastewater, and energy solutions. In general, the market for renovation and refurbishment is also healthy. There is also underlying need for residential units, although that market is greatly impacted by the economic situation.

The countries in which NCC has infrastructure operations have ambitious plans and investment initiatives in renewal, refurbishment and maintenance of national and regional infrastructure. Demand for asphalt and stone materials is driven by investments in infrastructure and maintenance, as well as general construction and, to some extent, the economic situation of public customers.

## Net sales and earnings

Net sales in the first quarter amounted to SEK 11,561 M (12,464). All business areas reported lower net sales than in the preceding year. Exchange rate effects had an impact of SEK -22 M (249) on net sales.

Operating profit/loss amounted to SEK -100 M (152) in the first quarter. The lower operating result in the quarter was mainly due to Property Development, as only one project was recognized in profit, Arendal Albatross, compared with one major project recognized in profit, Kontorværket, and the sale of land, in the comparative period, with an impact of SEK -169 M. Operating profit in the Industry business area was lower than in the year-earlier period due to lower volumes in stone materials operations and higher maintenance expenses for asphalt plants. Infrastructure was in line with the preceding year while Building Sweden noted a slightly lower operating profit. During the quarter, Building Nordics reported higher operating profit year-on-year, thanks to an improvement in the Norwegian operations. Under Other, Group-wide expenses were higher than in the preceding year.

The operating margin for the quarter was lower than in the preceding year. On a rolling twelve-month basis, NCC had an operating margin of 2.8 percent.

Net financial items for the period were SEK -17 M (33). Higher corporate net debt and higher interest expenses as well as lower capitalization of interest at Property Development had a negative impact.

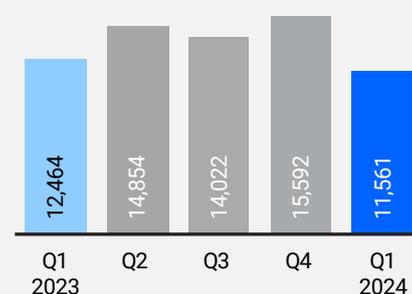
Orders received, Jan-Mar SEK M

# 13,353

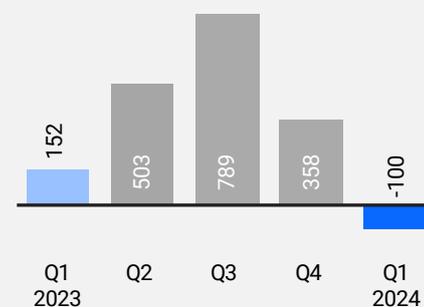
Net sales, Jan-Mar SEK M

# 11,561

Net sales, SEK M



Operating profit, SEK M



### Effective tax

The effective tax rate for the Group amounted to 20 percent (18). The calculation of the effective tax rate is based on a 12-month period. During the quarter, a tax-free sale was completed. During 2023, three tax-free sales were conducted.

### Cash flow

Cash flow before financing for the quarter amounted to SEK 42 M (19). Despite lower operating profit in the quarter, cash flow improved slightly, due primarily to reduced investments in property projects compared with the preceding year. A small property project was recognized in profit during the quarter, Arendal Albatross in Gothenburg. In the previous year, one office project and a sale of land were recognized in profit.

At the end of the period, total cash and cash equivalents amounted to SEK 1,221 M (1,077).

At March 31, the Group's net debt amounted to SEK -4,530 M (-3,251).

Corporate net debt, meaning net debt excluding pension debt and lease liabilities, amounted to SEK -2,471 M (-1,670) at the end of the first quarter. The increase in corporate net debt was due to continued investments in ongoing property projects which were completed but not yet recognized in profit.

The Group's total assets at March 31 amounted to SEK 31,450 M (29,352). It was primarily completed projects in Property Development that increased, at the same time as current interest-bearing liabilities and accounts payable also increased.

The average maturity of interest-bearing liabilities, excluding the pension debt and lease liability, was 15 months (23) at the end of the quarter. At March 31, 2024, NCC's unutilized committed lines of credit totaled SEK 5.5 billion (5.1), with an average remaining maturity of 25 months (26).

### Capital employed

At March 31, capital employed amounted to SEK 13,488 M (11,824). The increase was mainly due to investments in property projects. The return on capital employed was 12 percent (15).

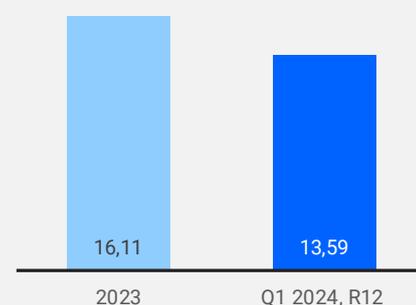
The return on equity was 18 percent (21).

### Financial targets and dividend policy

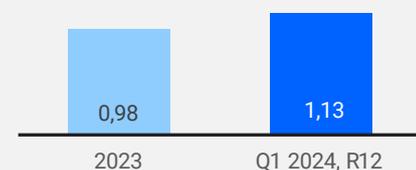
NCC has two financial targets: earnings per share and net debt in relation to EBITDA. The target is for earnings per share to be a minimum of SEK 16, this target applies in the short and medium term. On a rolling 12-month basis, earnings per share amounted to SEK 13.59 after the first quarter. The target for corporate net debt is that it is to be less than 2.5 times EBITDA. At the end of the first quarter of 2024, corporate net debt amounted to 1.13 times EBITDA on a rolling twelve basis.

NCC's dividend policy states that approximately 60 percent of the after-tax profit for the year is to be distributed to shareholders. For 2023, NCC's AGM resolved in favor of a dividend of SEK 8 per share, corresponding to 50 percent of after-tax profit for the year. The dividend will be paid on two occasions. The record date for the first payment of SEK 4 per share was April 11, 2024, with disbursement on April 16, 2024. For the second payment of SEK 4 per share, the record date is November 7, 2024, with payment occurring on November 12, 2024.

|                        | Target |
|------------------------|--------|
| Earnings per share SEK | >16    |



|                 | Target |
|-----------------|--------|
| Net debt/EBITDA | <2.5   |



This refers to corporate net debt, that is, net debt excluding pension debt and lease liability. EBITDA refers to operating profit according to the income statement, with reversal of depreciation and impairment losses according to Note 2, excluding depreciation/amortization of right-of-use assets.

## Health and safety targets

Health and safety is a high priority area in NCC and a prioritized area in the Group's sustainability framework. All levels of the Group are focused on reducing the total number of accidents as well as completely avoiding accidents and incidents that lead to or could lead to serious injury or fatalities.

A Group-wide target has been set for the accident frequency rate for accidents that lead to more than four days of absence per million worked hours (LTIF4) for the Group's own employees. The target is to achieve 2.0 in 2026 with annual interim targets. During the first quarter, the accident frequency rate increased slightly and at the end of the quarter was 4.5, which was not in line with the target. Several accidents in Sweden impacted the outcome of this quarter and, in view of this, extra measures will be implemented to demonstrate the importance of maintaining a constant focus. In May, NCC will also conduct a Health & Safety Week with measures adapted by department and project.

In February, a major fire broke out at the Oceana construction project in Gothenburg, that NCC is building for Liseberg. Many people could vacate the building without serious injuries but one person who worked for our customer tragically died. The project had conducted fire and evacuation drills and employees on site did a great job. Various government authorities and insurance companies are investigating the cause of the fire. This incident shows the importance of good and thorough preparation for rare events that may have significant consequences.

## Climate and energy targets

NCC measures emission intensity in own operations, Scope 1 and 2, and has set a target of reducing it by 60 percent by 2030 compared with 2015, which means 2.08 CO<sub>2</sub>e (ton)/SEK M. At the end of 2023, this figure was 2.3 so we are nearing the target. This corresponds to a reduction of 56 percent. A review of targets and reporting criteria is being conducted as part of planning ahead of reporting according to the future CSRD regulatory framework.

In respect of emissions in the value chain, NCC has chosen to methodically increase the proportion for which detailed data can be collected and reported. NCC has also chosen to prioritize four categories; concrete, steel, asphalt and transportation. The table below shows the results for partial amounts for three of these categories and how emissions have declined since 2015. A partial amount from the transportation category was reported for the first time in the 2023 Annual Report.

For more details, refer to NCC's Annual Report.

| Scope 3   | Base year (2015) | 2022 | 2023 | Reduction since 2015 |
|---|------------------|------|------|----------------------|
| Ready-mix concrete (kg CO <sub>2</sub> e/m <sup>3</sup> ) | 350              | 293  | 274  | 22%                  |
| Steel reinforcement (kg CO <sub>2</sub> e/ton)            | 1,000            | 624  | 549  | 45%                  |
| Asphalt (kg CO <sub>2</sub> e/ton)                        | 35               | 25   | 26   | 25%                  |

Target 2026

Accident frequency

<2.0

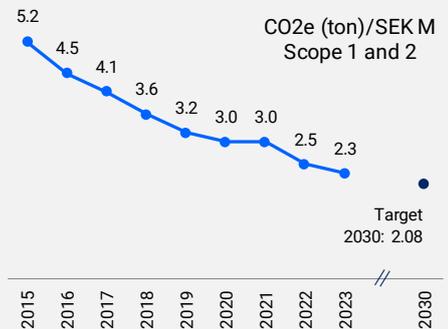


Accident frequency: Worksite accidents resulting in more than four days of absence per one million hours worked.

Target 2030

Emission intensity

<2.08



The figures for the base year were recalculated due to the divestment of Asphalt Finland, in accordance with the Greenhouse Gas Protocol Corporate Standard.

Earlier, the following values were reported:

| Year  | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|-------|------|------|------|------|------|------|------|
| Value | 5.9  | 5.0  | 4.8  | 4.0  | 3.7  | 3.4  | 3.5  |

# Order status

## Orders received and order backlog

Orders received in the first quarter amounted to SEK 13,353 M (16,288). Orders received in Infrastructure and Industry were higher than in the preceding year. In the Industry business area, orders received were more than 20 percent higher year-on-year. Orders received in the Building Sweden business area were lower year-on-year. The main difference relates to the Building Nordics business area, where two major orders totaling SEK billion 3,7 were registered in Denmark in the year-earlier quarter.

Changes in exchange rates impacted orders received by SEK -81 M (310).

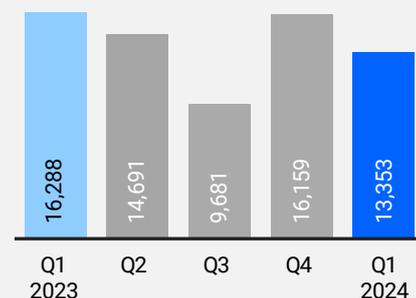
The Group's order backlog amounted to SEK 56,270 M (58,910) at the end of the quarter. The order backlog decreased, mainly in the Building Sweden and Building Nordics business areas.

Changes in exchange rates impacted the order backlog by SEK 735 M (-138).

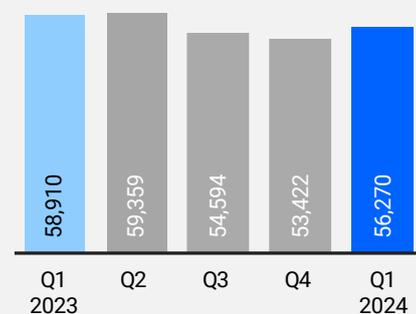
## Orders received per business area

| SEK M                            | Q1            |               | R12 Apr-Mar   | Jan-Dec       |
|----------------------------------|---------------|---------------|---------------|---------------|
|                                  | 2024          | 2023          | 2023/2024     | 2023          |
| NCC Infrastructure               | 5,002         | 4,617         | 17,092        | 16,707        |
| Building Nordics                 | 1,818         | 5,098         | 13,374        | 16,654        |
| NCC Building Sweden              | 2,643         | 3,398         | 11,906        | 12,661        |
| NCC Industry                     | 4,018         | 3,307         | 12,170        | 11,459        |
| NCC Other and eliminations       | -127          | -133          | -657          | -662          |
| <b>Total orders received NCC</b> | <b>13,353</b> | <b>16,288</b> | <b>53,884</b> | <b>56,819</b> |

Orders received, SEK M



Order backlog, SEK M



### Examples of orders and contracts during the first quarter of 2024. A list of orders valued at more than SEK 150 M and announced via press releases during the quarter is available at [ncc.com/ir](https://ncc.com/ir).

- Infrastructure has secured an order in Norway to construct a road and tunnel in Ålesund. The order value is approximately SEK 1.5 billion
- Building Sweden is to build a new school in Västerås for approximately SEK 450 M and Rimfors school in Kinda Municipality with an order value of SEK 150 M
- Infrastructure has been contracted by Ørsted when it is to construct a carbon capture plant in Denmark. The order value is approximately SEK 300 M
- Industry has signed several important orders in asphalt operations. These include asphalt contracts for more than SEK 500 M in Norway
- Building Nordics is to refurbish the Ågården neighborhood in Copenhagen. The order value is approximately SEK 225 M
- Building Nordics is to construct a school in Lieto in Finland. The order value is SEK 195 M
- Building Sweden is to conduct construction work for SSAB in Oxelösund. The order value is approximately SEK 200 M
- Building Sweden is to build the new Ångermanland District Court in Härnösand. The order value is SEK 180 M
- Building Sweden is to build a new retirement home in Västerås. The order value is SEK 150 M

# NCC Infrastructure

## Orders received and order backlog

Orders received amounted to SEK 5,002 M (4,617) in the first quarter. The increase was attributable to projects in Norway. The Roads segment accounted for more than one third of the total orders received, primarily due to a project in Ålesund, Norway, for SEK 1.5 billion. Energy and Water Treatment was the second largest with more than one quarter of volume.

The order backlog was slightly lower than in the year-earlier period and amounted to SEK 17,484 M (17,845).

## Net sales and earnings

Net sales in the first quarter amounted to SEK 3,690 M (3,935).

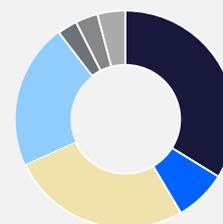
Energy & Water Treatment and Railways were the largest segments accounting for approximately 30 percent each of net sales for the quarter.

Operating profit for the quarter was in line with the comparative period and amounted to SEK 68 M (67) in the first quarter.

| SEK M                                  | Q1     |        | R12 Apr-Mar | Jan-Dec |
|--|--------|--------|-------------|---------|
|  | 2024   | 2023   | 2023/2024   | 2023    |
| Orders received                        | 5,002  | 4,617  | 17,092      | 16,707  |
| Order backlog                          | 17,484 | 17,845 | 17,484      | 16,074  |
| Net sales                              | 3,690  | 3,935  | 17,423      | 17,667  |
| Operating profit/loss                  | 68     | 67     | 723         | 723     |
| Operating profit/loss excl Bergnäset * | 68     | 67     | 548         | 548     |
| Operating margin, %                    | 1.8    | 1.7    | 4.1         | 4.1     |
| Operating margin excl Bergnäset, % *   | 1.8    | 1.7    | 3.1         | 3.1     |

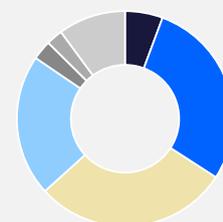
\* Refers to operating profit adjusted for the positive impact from the sale of Bergnäset

## Orders received Jan-Mar



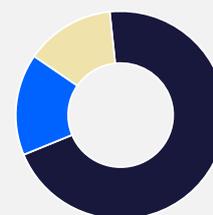
- Roads 34 (8)%
- Railways 8 (8)%
- Energy & Water Treatment 27 (36)%
- Groundworks 21 (25)%
- Industry 3 (2)%
- Foundation engineering 3 (6)%
- Other 4 (15)%

## Net sales Jan-Mar



- Roads 6 (10)%
- Railways 29 (20)%
- Energy & Water Treatment 29 (23)%
- Groundworks 21 (25)%
- Industry 3 (5)%
- Foundation engineering 2 (11)%
- Other 10 (6)%

## Net sales Jan-Mar



- Sweden 70 (73)%
- Denmark 16 (13)%
- Norway 14 (14)%

## Share of net sales Jan-Mar

# 31%

# NCC Building Nordics

## Orders received and order backlog

Orders received in the first quarter amounted to SEK 1,818 M (5,098). The change during the quarter was mainly attributable to Denmark, which registered two large projects totaling SEK 3.7 billion in the comparative period. Orders received also declined in Norway because of fewer major projects. The proportion of Other, which includes hotel and industrial buildings, was lower than in the year-earlier period as a major hotel order in Aarhus was recognized in the comparative period. Public buildings accounted for roughly half of orders received – similar to last year – while Residential and Offices remained weak segments.

The order backlog was lower than in the preceding year and amounted to SEK 17,880 M (18,545) at the end of the quarter.

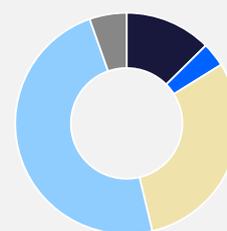
## Net sales and earnings

Net sales in the first quarter amounted to SEK 3,231 M (3,503). The slight decrease in net sales was mainly due to Finland, where the market situation is challenging. Public buildings accounted for roughly one third of net sales.

Operating profit increased and amounted to SEK 38 M (18) during the quarter. The higher operating profit was mainly attributable to increased profitability in Norway.

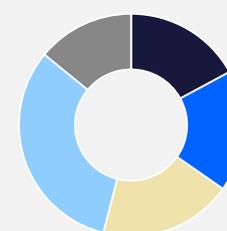
| SEK M                 | Q1     |        | R12 Apr-Mar | Jan-Dec |
|-----------------------|--------|--------|-------------|---------|
|                       | 2024   | 2023   | 2023/2024   | 2023    |
| Orders received       | 1,818  | 5,098  | 13,374      | 16,654  |
| Order backlog         | 17,880 | 18,545 | 17,880      | 18,684  |
| Net sales             | 3,231  | 3,503  | 14,343      | 14,615  |
| Operating profit/loss | 38     | 18     | 363         | 343     |
| Operating margin, %   | 1.2    | 0.5    | 2.5         | 2.3     |

## Orders received Jan-Mar



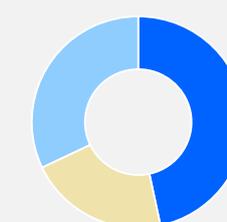
- Offices 13 (2)%
- Residential 4 (0)%
- Refurbishment/Conversion 30 (3)%
- Public Buildings 48 (45)%
- Other 5 (50)%

## Net sales Jan-Mar



- Offices 17 (18)%
- Residential 18 (11)%
- Refurbishment/Conversion 19 (21)%
- Public Buildings 32 (29)%
- Other 14 (21)%

## Net sales Jan-Mar



- Denmark 47 (47)%
- Norway 21 (17)%
- Finland 32 (36)%

## Share of net sales Jan-Mar

27%

# NCC Building Sweden

## Orders received and order backlog

Orders received amounted to SEK 2,643 M (3,398) in the first quarter. The lower orders received compared with the comparative period was due in part to lower orders received in the Offices and Public Buildings segments for the quarter. Orders received for office units continued to decline due to the prevailing market situation. Public buildings accounted for the largest share of orders received but was slightly lower than for the comparative period. The increase in Other was attributable to several industrial projects that included SSAB.

The order backlog was lower than in the year-earlier period, but remained at a high level compared with net sales for one year, and amounted to SEK 15,987 M (18,480) at the end of the quarter.

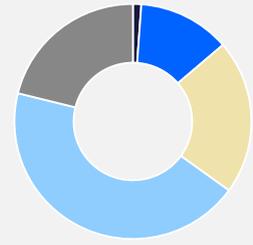
## Net sales and earnings

Net sales in the first quarter amounted to SEK 3,409 M (3,490). Public buildings accounted for two thirds and increased most while all other segments were lower than in the comparative period.

Operating profit was slightly lower than the comparative period and amounted to SEK 55 M (60) in the first quarter.

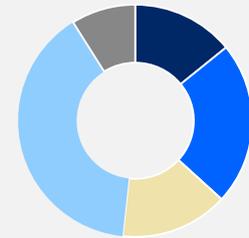
| SEK M                 | Q1     |        | R12 Apr-Mar | Jan-Dec |
|-----------------------|--------|--------|-------------|---------|
|                       | 2024   | 2023   | 2023/2024   | 2023    |
| Orders received       | 2,643  | 3,398  | 11,906      | 12,661  |
| Order backlog         | 15,987 | 18,480 | 15,987      | 16,753  |
| Net sales             | 3,409  | 3,490  | 14,393      | 14,475  |
| Operating profit/loss | 55     | 60     | 268         | 272     |
| Operating margin, %   | 1.6    | 1.7    | 1.9         | 1.9     |

## Orders received Jan-Mar



- Offices 1 (6)%
- Residential 13 (16)%
- Refurbishment/Conversion 21 (21)%
- Public Buildings 44 (50)%
- Other 21 (7)%

## Net sales Jan-Mar



- Offices 14 (17)%
- Residential 23 (29)%
- Refurbishment/Conversion 15 (17)%
- Public Buildings 39 (26)%
- Other 9 (11)%

## Share of net sales Jan-Mar

# 28%

# NCC Industry

## Orders received

Orders received amounted to SEK 4,018 M (3,307) in the first quarter, more than 20 percent higher year-on-year. The higher orders received was attributable to asphalt operations, while orders received in stone materials operations were lower compared with the preceding year.

## Net sales and earnings

The business area is always characterized by a seasonally low level of activity during the first quarter. Net sales were at the same level as in the previous year and amounted to SEK 1,015 M (1,058) in the first quarter. The slight decrease in sales was due to lower volumes in stone materials operations.

The operating result amounted to SEK -313 M (-261) in the first quarter. The result is usually negative due to low activity in the first quarter. Lower volumes in stone materials operations, due to such factors as reduced housing construction and higher repair and maintenance expenses for the asphalt plants, mean the result is slightly more negative than in the preceding year.

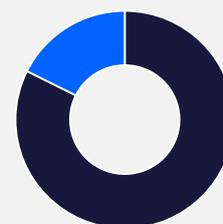
## Operating capital employed

Operating capital employed was lower than in the first quarter of the preceding year.

| SEK M  | Q1    |       | R12 Apr-Mar | Jan-Dec |
|--|-------|-------|-------------|---------|
|  | 2024  | 2023  | 2023/2024   | 2023    |
| Orders received                                      | 4,018 | 3,307 | 12,170      | 11,459  |
| Net sales  | 1,015 | 1,058 | 11,442      | 11,485  |
| Operating profit/loss                                | -313  | -261  | 348         | 400     |
| Operating margin, %                                  | -30.8 | -24.7 | 3.0         | 3.5     |
| Operating capital employed <sup>1</sup>              | 4,162 | 4,411 | 4,162       | 4,090   |
| Stone thousand tonnes, sold volume                   | 4,657 | 5,829 | 25,207      | 25,610  |
| Asphalt thousand tonnes, sold volume                 | 173   | 188   | 4,642       | 4,657   |
| Return on operating capital employed, % <sup>1</sup> | -     | -     | 8.0         | 8.9     |

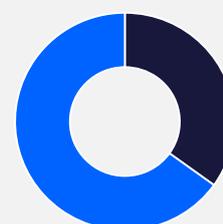
1) See definition at NCC:s website, [ncc.com/investor-relations/ncc-share/financial-definitions/](http://ncc.com/investor-relations/ncc-share/financial-definitions/)

## Orders received Jan-Mar



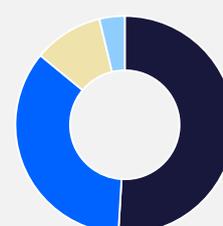
- Asphalt and paving 82 (76)%
- Stone materials 18 (24)%

## Net sales Jan-Mar



- Asphalt and paving 35 (34)%
- Stone materials 65 (66)%

## Net sales Jan-Mar



- Sweden 51 (50)%
- Denmark 35 (36)%
- Norway 10 (9)%
- Finland 4 (5)%

## Share of net sales Jan-Mar

9%

# NCC Property Development

## Net sales and earnings

Net sales in the first quarter amounted to SEK 637 M (1,146). Operating profit also declined and amounted to SEK 87 M (256).

In the first quarter, a logistics project, Arendal Albatross in Sweden, was recognized in profit. The previous year included earnings from the recognition in profit of one large project, Kontorværket 1 in Denmark, and one sale of land with development rights in Sweden (Järva krog). Higher rental revenues from several projects in Sweden and one project in Finland made a positive contribution to earnings during the quarter.

## Property projects

No projects were started during the quarter. Last year, one project was started in Sweden, Park Central.

Letting in the first quarter amounted to 10,400 square meters (8,600). A total of 7 new leases (11) were signed in Sweden and Finland.

At the end of the first quarter, 10 projects (11) were ongoing or completed but not yet recognized in profit. Costs incurred in all projects amounted to SEK 9,007 M (7,441), corresponding to a total completion rate of 79 percent (64). The completion rate for ongoing projects was 62 percent (55). The total letting rate during the quarter was 70 percent (56). Operating net for the quarter amounted to SEK 63 M (30).

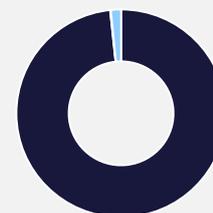
## Operating capital employed

Operating capital employed increased at the end of the quarter, totaling SEK 9,625 M (8,046). The increase was attributable to investments in ongoing projects and projects started in the previous year.

| SEK M  | Q1    |       | R12 Apr-Mar | Jan-Dec |
|--|-------|-------|-------------|---------|
|  | 2024  | 2023  | 2023/2024   | 2023    |
| Net sales  | 637   | 1,146 | 867         | 1,376   |
| Operating profit/loss                                | 87    | 256   | 75          | 243     |
| Operating margin, %                                  | 13.7  | 22.3  | 8.6         | 17.7    |
| Operating capital employed <sup>1</sup>              | 9,625 | 8,046 | 9,625       | 9,592   |
| Return on operating capital employed, % <sup>1</sup> | -     | -     | 0.9         | 2.8     |

1) See definition at NCC:s website, [ncc.com/investor-relations/ncc-share/financial-definitions/](http://ncc.com/investor-relations/ncc-share/financial-definitions/)

## Net sales Jan-Mar



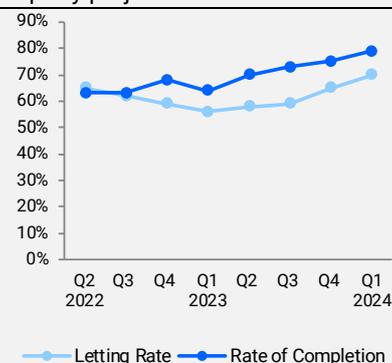
■ Sweden 98 (20%)  
■ Denmark 0 (80%)  
■ Finland 2 (0%)

## Letting <sup>1</sup>



1) Total letting also includes previously sold and profit-recognized property projects where NCC works with letting.

## Property projects



## Share of net sales Jan-Mar

5%

# NCC Property Development

## Property development projects as of 2024-03-31

### Ongoing Property development projects<sup>1</sup>

| Project                   | Type   | Location   | Sold, estimated recognition in profit | Completion ratio, % | Lettable area (sqm) | Letting ratio, % |
|---------------------------|--------|------------|---------------------------------------|---------------------|---------------------|------------------|
| We Land                   | Office | Helsinki   |                                       | 85                  | 20,800              | 84               |
| <b>Total Finland</b>      |        |            |                                       | <b>85</b>           | <b>20,800</b>       | <b>84</b>        |
| MIMO <sup>2</sup>         | Office | Gothenburg | Q4 2024                               | 78                  | 31,300              | 60               |
| Flow Hyllie               | Office | Malmö      |                                       | 66                  | 10,200              | 55               |
| Habitat 7                 | Office | Gothenburg |                                       | 59                  | 7,800               | 36               |
| Park Central <sup>3</sup> | Office | Gothenburg | Q2 2027                               | 14                  | 15,200              | 15               |
| <b>Total Sweden</b>       |        |            |                                       | <b>53</b>           | <b>64,500</b>       | <b>47</b>        |
| <b>Total</b>              |        |            |                                       | <b>53</b>           | <b>85,300</b>       | <b>47</b>        |

### Completed Property development projects

| Project              | Type   | Location   | Sold, estimated recognition in profit | Lettable area (sqm) | Letting ratio, % |
|----------------------|--------|------------|---------------------------------------|---------------------|------------------|
| Kulma21              | Office | Helsinki   |                                       | 7,700               | 100              |
| <b>Total Finland</b> |        |            |                                       | <b>7,700</b>        | <b>100</b>       |
| Nova                 | Office | Solna      |                                       | 9,800               | 33               |
| Bromma Blocks        | Office | Stockholm  |                                       | 52,400              | 79               |
| Våghuset             | Office | Gothenburg |                                       | 10,900              | 99               |
| Brick Studios        | Office | Gothenburg |                                       | 16,100              | 97               |
| <b>Total Sweden</b>  |        |            |                                       | <b>89,200</b>       | <b>79</b>        |
| <b>Total</b>         |        |            |                                       | <b>96,900</b>       | <b>79</b>        |

1) The tables 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 five previously sold and revenue recognized property projects, a maximum of approximately SEK 10 M in potential positive earnings effect.

2) NCC announced in Q2 2017 that Platzer had an option to acquire the property in Mölndal when the project is completed. During Q3 2021, Platzer chose to realize the option and the parties have signed a sales agreement. The sale is conditioned by a letting ratio of 80% or more.

3) The project covers approximately a total of 40 000 square meters and lettable area of approximately 30 400 square meters. The project is carried out together with Jernhusen, a Swedish state-owned property company. In december 2021 an agreement was entered to jointly develop Park Central in joint venture through a jointly owned company. NCC has acquired 50 percent of the property-owning company by Jernhusen that will repurchase the part when the property is completed and some criteria is fulfilled. The data in the table refers to NCCs share of the project.



# Other operations

## NCC Green Industry Transformation

The NCC Green Industry Transformation business area was formed on January 1, 2024. The business area will build up contracting operations focused on large projects driven by the green industrial transition and that require specialist expertise and resources.

During the quarter, the business area focused on ongoing business dialogues and recruitment.

## Other and eliminations

| SEK M   | Q1         |           | R12 Apr-Mar | Jan-Dec     |
|---|------------|-----------|-------------|-------------|
|   | 2024       | 2023      | 2023/2024   | 2023        |
| NCC's Group function and business area<br>NCC Green Industry Transformation | -106       | -72       | -349        | -315        |
| Eliminations of internal profits  | 17         | 23        | -25         | -18         |
| Pensions defined-benefit obligations  | 50         | 57        | 183         | 190         |
| Other adjustments and eliminations  | 3          | 4         | -36         | -35         |
| <b>Operating profit/loss</b>  | <b>-35</b> | <b>12</b> | <b>-227</b> | <b>-179</b> |

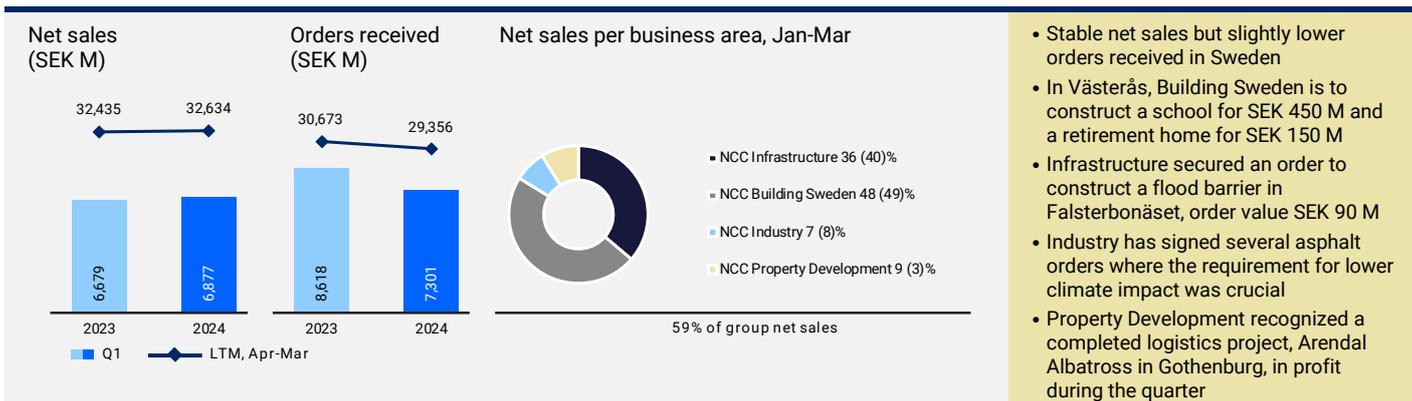
Operating profit for Other and eliminations was lower than in the year-earlier quarter. The costs for Group-wide functions increased. This was due to increased costs arising from continued investments in new IT platforms and applications and to a smaller extent from higher personnel expenses stemming from the establishment of the NCC Green Industry Transformation business area. It is also due to accrual effects in the NCC insurance company NCC Försäkring. These are not related to the fire in Gothenburg.

During the quarter, the Arendal Albatross project was recognized in profit, which contributed positively in the elimination of internal gains. However, this positive effect was offset by ongoing property development projects where work is still being conducted.

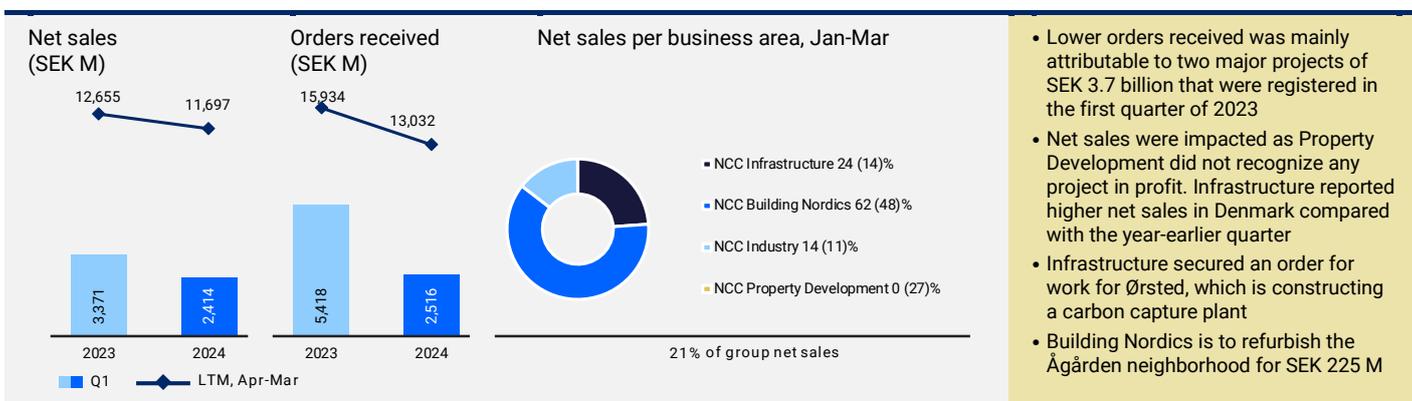
Pension costs pertain to the adjustment of defined-benefit pensions in accordance with IAS 19.

# Geographical areas

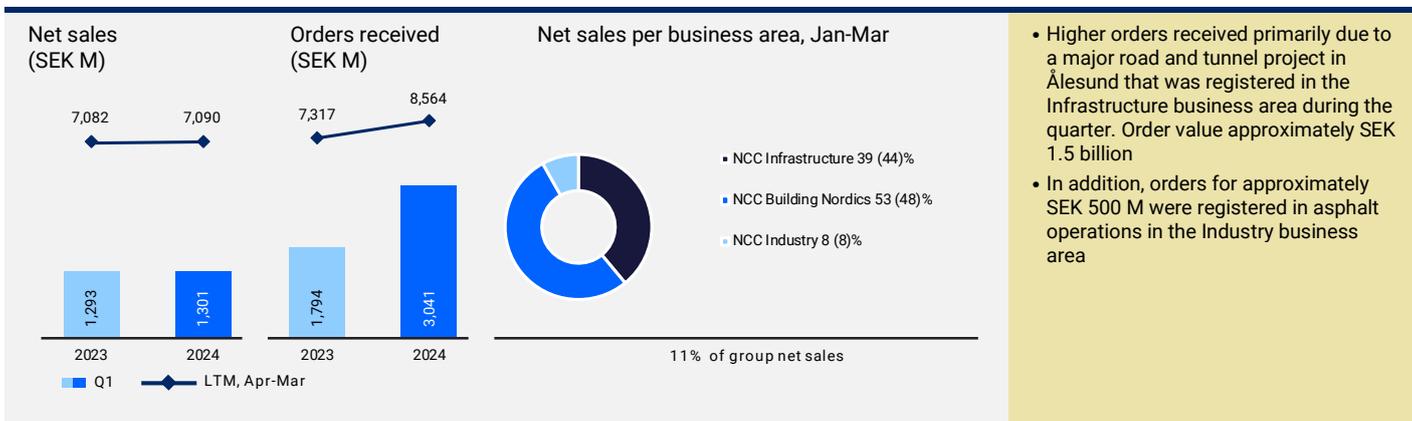
## Sweden



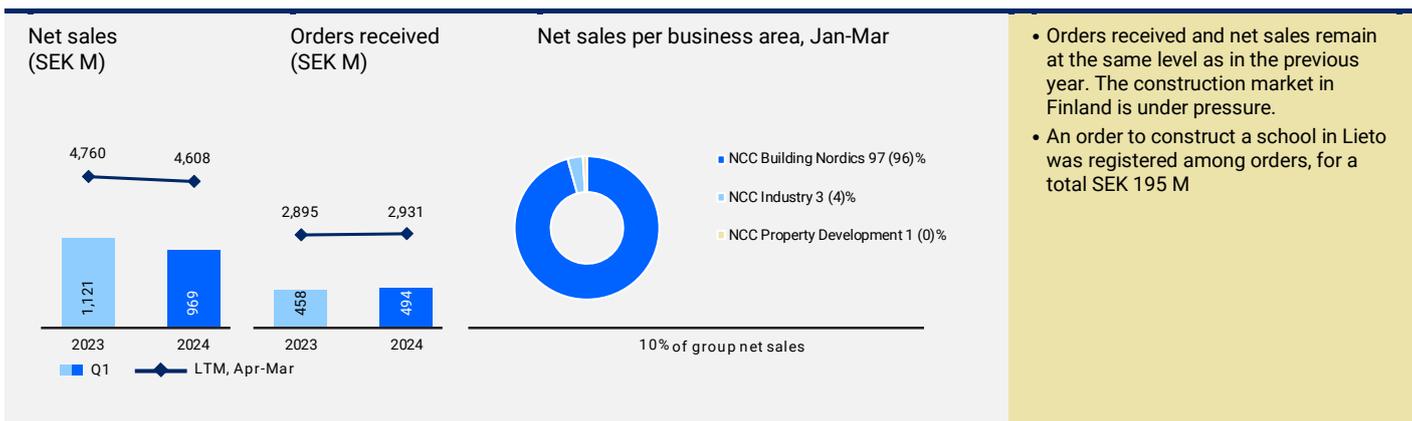
## Denmark



## Norway



## Finland



# Other disclosures

## Significant risks and uncertainties

A description of the risks to which NCC may be exposed is provided in the 2023 Annual Report (pages 27–32). This assessment still applies.

## Related-party transactions

Related parties are NCC's subsidiaries, associated companies and joint arrangements. Related-company sales during the first quarter amounted to SEK 4 M (6) and purchases to SEK 1 M (1).

## Seasonal effects

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

## Amounts and dates

Unless otherwise indicated, amounts are stated in SEK millions (SEK M). All comparative figures in this report pertain to the year-earlier period. Rounding-off differences may arise in all tables.

## Repurchase of shares

At December 31, NCC AB had a total of 2,099,221 Series B shares in treasury to cover the commitments according to the long-term incentive programs.

## Other significant events

### **New business area: NCC Green Industry Transformation**

As of January 1, 2024, NCC has a new business area, NCC Green Industry Transformation. The business area is focused on large projects driven by the green industrial transition and that require special expertise and resources. The business area will be built up during 2024. Financially, the business area will be reported under "Other and eliminations" until further notice. See page 13.

### **Changes to the Senior Management Team**

As previously announced in a press release on December 6, 2023, two new heads of business areas assumed their positions during the quarter. Niklas Sparw started as Head of NCC Building Sweden on February 1. Helena Hed started as Head of NCC Green Industry Transformation on February 12.

It was also announced that Maria Grimberg, Head of Corporate Communications and Investor Relations, will be leaving NCC for other opportunities after the summer. A recruitment process has been initiated.

### **Fire in Gothenburg**

A major fire occurred at the Oceana project in Gothenburg that NCC is constructing for Liseberg. One person tragically died in the fire and the building was extensively damaged. Several government authorities and insurance companies are investigating the cause of

the fire. Construction projects are generally insured. Refer also to page 5.

## Events after the close of the period

### **Annual General Meeting**

NCC's Annual General Meeting was held on April 9, 2024, at Space, Sergelgatan 2 in Stockholm, Sweden.

### **Dividend**

The Annual General Meeting (AGM) resolved in favor of the Board's proposal that a dividend of SEK 8.00 (6.00) per share be paid, divided between two payment occasions. This corresponds to 50 percent of after-tax profit for the year. The record date for the first payment of SEK 4.00 was April 11, 2024, with disbursement on April 16, 2024. For the second payment of SEK 4.00, the record date is November 7, 2024, with payment occurring on November 12, 2024.

### **Board of Directors and director fees**

The AGM resolved that the Board of Directors will consist of seven regular Board members. In accordance with the Nomination Committee's proposal, the Meeting re-elected the Board members Alf Göransson, Simon de Château, Mats Jönsson, Birgit Nørgaard, Cecilia Fath and Daniel Kjørberg Siraj. Ida Aall Gram was elected as a new member. Alf Göransson was elected Chair of the Board. Board member Angela Langemar Olsson had declined re-election. Information on the Board members is available at [ncc.com](http://ncc.com).

It was resolved that Board fees be paid in a total amount of SEK 4,815,000, excluding fees for work on committees, distributed so that the Chair of the Board receives SEK 1,605,000 (2023: SEK 1,500,000) and each other member receives SEK 535,000 (2023: SEK 500,000). Fees will be paid to the members of the Audit Committee as follows: the Chair of the Committee will receive SEK 175,000 and each other member will receive SEK 125,000. Fees will be paid to the members of the Project Committee as follows: the Chair of the Committee will receive SEK 125,000 and other member will receive SEK 100,000. The adopted Committee fees are unchanged.

Fees to be paid to the members of the newly established Remuneration and Competence Committee were resolved as follows: the Chair of the Committee will receive SEK 100,000 and each other member will receive SEK 50,000.

### **Auditor**

In accordance with the Audit Committee's recommendation, the auditing firm Öhrlings PricewaterhouseCoopers AB (PwC) was re-elected auditor of the company, with Patrik Adolfson as Auditor-in-Charge. PwC was elected until the close of the 2025 AGM. The auditors will be remunerated in return for approved invoices.

### **Nomination Committee**

Trond Stabekk (CFO, OBOS), Simon Blecher (fund manager, Carnegie Fonder) and Anna Magnusson (Chief Active Ownership Officer, Första AP-fonden (AP1)) were appointed as members of the Nomination Committee until the close of the next AGM, with Trond Stabekk as Chair.

Tomas Carlsson  
President and CEO

This report is unaudited.

Furthermore, the AGM decided to adopt the proposed instructions for the Nomination Committee.

### **Long-term performance-based incentive program**

Furthermore, the AGM resolved on the introduction of a long-term performance-based incentive program (LTI 2024 share savings program) for senior executives and key personnel.

To secure the anticipated financial exposure in respect of the LTI 2024 share savings program, the AGM resolved that NCC shall be able to enter into share-swap agreements with a third party on normal market terms, whereby the third party will be able to acquire Series B NCC shares in its own name and transfer them to employees who participate in the LTI 2024 share savings program.

The AGM also authorized the Board, on one or several occasions during the period up to the next AGM, to make decisions on the transfer of a maximum of 100,000 Series B shares on Nasdaq Stockholm to secure delivery of shares under LTI 2021 and LTI 2023 and to cover costs for compensation for dividends, social security fees and payments on the basis of the synthetic shares that arise from time to time due to the outstanding, long-term performance-based incentive programs in NCC.

A detailed description of the LTI 2024 share savings program is available in the official notification of the AGM, which can be found on NCC's website.

### **Repurchase of own shares**

The AGM authorized the Board, on one or several occasions during the period up to the next AGM, to make decisions on the repurchase of the company's Series B shares up to an amount so that, at any given time following the acquisition, the company holds a maximum of 10 percent of all shares in the company. Purchases of shares are to be made on Nasdaq Stockholm at a price per share that is within the registered price interval for NCC's Series B share at any given time. The purpose of the authorization is to give the Board greater scope to be able to adapt the company's capital structure to the capital requirement from time to time.

### **Financial calendar**

Interim report Q2 and Jan-Jun: July 16, 2024  
Interim report Q3 and Jan-Sep: October 25, 2024  
Interim report Q4 and Oct-Dec: February 10, 2025  
Interim report Q1 and Jan-Mar: April 29, 2025

### **Signatures**

Solna, May 3, 2024

## Condensed consolidated income statement

| SEK M  | Note | Q1          |            | R12 Apr-Mar  | Jan-Dec      |
|--|------|-------------|------------|--------------|--------------|
|  |      | 2024        | 2023       | 2023/2024    | 2023         |
| Net sales  | 5    | 11,561      | 12,464     | 56,029       | 56,932       |
| Production costs   | 2    | -10,867     | -11,569    | -51,544      | -52,245      |
| <b>Gross profit</b>  |      | <b>694</b>  | <b>895</b> | <b>4,485</b> | <b>4,687</b> |
| Selling and administrative expenses  | 2    | -793        | -748       | -3,201       | -3,156       |
| Other operating income/expenses  |      | -1          | 4          | 266          | 271          |
| <b>Operating profit/loss</b>   | 5    | <b>-100</b> | <b>152</b> | <b>1,550</b> | <b>1,802</b> |
| Financial income   |      | 27          | 29         | 78           | 80           |
| Financial expense <sup>1</sup>   |      | -44         | 4          | -126         | -79          |
| <b>Net financial items</b>   | 5    | <b>-17</b>  | <b>33</b>  | <b>-49</b>   | <b>1</b>     |
| <b>Profit/loss after financial items</b>   | 5    | <b>-117</b> | <b>185</b> | <b>1,502</b> | <b>1,803</b> |
| Tax  |      | 24          | -32        | -174         | -230         |
| <b>Net profit/ loss</b>  |      | <b>-93</b>  | <b>153</b> | <b>1,327</b> | <b>1,573</b> |
| <b>Attributable to:</b>  |      |             |            |              |              |
| NCC's shareholders   |      | -93         | 153        | 1,327        | 1,573        |
| <b>Net profit/loss for the period</b>  |      | <b>-93</b>  | <b>153</b> | <b>1,327</b> | <b>1,573</b> |
| <b>Earnings per share</b>  |      |             |            |              |              |
| Net profit/loss for the period, before and after dilution, SEK                   |      | -0.95       | 1.56       | 13.59        | 16.11        |
| <b>Number of shares, millions</b>  |      |             |            |              |              |
| Total number of issued shares  |      | 99.8        | 108.4      | 99.8         | 99.8         |
| Average number of shares outstanding before and after dilution during the period |      | 97.7        | 97.6       | 97.7         | 97.6         |
| Number of shares outstanding at the end of the period                            |      | 97.7        | 97.6       | 97.7         | 97.7         |

1) Whereof interest expenses including capitalized interest expenses for the quarter SEK -38 M (12).

## Consolidated statement of comprehensive income

| SEK M   | Note | Q1         |             | R12 Apr-Mar  | Jan-Dec      |
|---|------|------------|-------------|--------------|--------------|
|   |      | 2024       | 2023        | 2023/2024    | 2023         |
| <b>Net profit/loss for the period</b>   | 1    | <b>-93</b> | <b>153</b>  | <b>1,327</b> | <b>1,573</b> |
| <b>Items that have been recycled or should be recycled to net profit/loss for the period</b>        |      |            |             |              |              |
| Exchange differences on translating foreign operations  |      | 130        | -15         | 71           | -74          |
| Cash flow hedges  |      | 34         | -56         | -64          | -154         |
| Income tax relating to items that have been or should be recycled to net profit/loss for the period |      | -7         | 11          | 14           | 32           |
|   |      | <b>157</b> | <b>-59</b>  | <b>20</b>    | <b>-196</b>  |
| <b>Items that cannot be recycled to net profit/loss for the period</b>                              |      |            |             |              |              |
| Revaluation of defined benefit pension plans  |      | 1          | -162        | -655         | -818         |
| Income tax relating to items that can not be recycled to net profit/loss for the period             |      | 0          | 33          | 135          | 168          |
|   |      | <b>1</b>   | <b>-129</b> | <b>-520</b>  | <b>-649</b>  |
| <b>Other comprehensive income</b>   |      | <b>158</b> | <b>-188</b> | <b>-499</b>  | <b>-846</b>  |
| <b>Total comprehensive income</b>   |      | <b>65</b>  | <b>-35</b>  | <b>828</b>   | <b>728</b>   |
| <b>Attributable to:</b>   |      |            |             |              |              |
| NCC's shareholders  |      | 65         | -35         | 828          | 728          |
| <b>Total comprehensive income</b>   |      | <b>65</b>  | <b>-35</b>  | <b>828</b>   | <b>728</b>   |

## Condensed consolidated balance sheet

| SEK M   | Note |               |               |               |
|---|------|---------------|---------------|---------------|
|   |      | 31 Mar 2024   | 31 Mar 2023   | 31 Dec 2023   |
| <b>ASSETS</b>                                     |      |               |               |               |
| Goodwill  |      | 1,954         | 1,924         | 1,913         |
| Other intangible assets                           |      | 584           | 340           | 545           |
| Right-of-use assets                               | 4    | 1,479         | 1,465         | 1,300         |
| Owner-occupied properties                         |      | 876           | 895           | 867           |
| Machinery and equipment                           |      | 2,319         | 2,481         | 2,310         |
| Long-term interest-bearing receivables            | 6    | 204           | 184           | 204           |
| Other financial fixed assets                      |      | 684           | 760           | 688           |
| <b>Total fixed assets</b>                         |      | <b>8,099</b>  | <b>8,049</b>  | <b>7,827</b>  |
| Properties held for future development            |      | 1,304         | 1,144         | 1,265         |
| Ongoing property projects                         |      | 3,187         | 4,634         | 3,794         |
| Completed property projects                       |      | 5,589         | 2,737         | 4,986         |
| Participations in associated companies            |      | 208           | 139           | 201           |
| Materials and inventories                         |      | 1,177         | 1,214         | 1,120         |
| Accounts receivable                               |      | 7,664         | 7,061         | 8,696         |
| Worked-up, not-invoiced revenues                  |      | 1,383         | 1,656         | 1,076         |
| Current interest-bearing receivables              |      | 129           | 167           | 129           |
| Other current receivables                         | 4    | 1,488         | 1,472         | 1,649         |
| Short-term investments                            |      | 655           | 486           | 501           |
| Cash and cash equivalents                         |      | 566           | 591           | 707           |
| <b>Total current assets</b>                       |      | <b>23,351</b> | <b>21,302</b> | <b>24,124</b> |
| <b>Total assets</b>                               |      | <b>31,450</b> | <b>29,352</b> | <b>31,950</b> |
| <b>EQUITY</b>                                     |      |               |               |               |
| Shareholders' equity                              |      | 7,403         | 7,145         | 7,324         |
| <b>Total shareholders' equity</b>                 |      | <b>7,403</b>  | <b>7,145</b>  | <b>7,324</b>  |
| <b>LIABILITIES</b>                                |      |               |               |               |
| Long-term interest-bearing liabilities            | 6    | 3,117         | 3,312         | 3,006         |
| Provisions for pensions and similar obligations   |      | 508           | 35            | 556           |
| Other long-term liabilities                       |      | 879           | 1,029         | 902           |
| Other provisions                                  |      | 2,238         | 2,534         | 2,218         |
| <b>Total long-term liabilities</b>                |      | <b>6,742</b>  | <b>6,909</b>  | <b>6,683</b>  |
| Current interest-bearing liabilities              | 6    | 2,460         | 1,333         | 2,289         |
| Accounts payable                                  |      | 5,492         | 4,754         | 6,105         |
| Invoiced revenues not worked-up                   |      | 5,360         | 5,316         | 5,058         |
| Other current liabilities                         |      | 3,994         | 3,895         | 4,492         |
| <b>Total current liabilities</b>                  |      | <b>17,305</b> | <b>15,298</b> | <b>17,944</b> |
| <b>Total liabilities</b>                          |      | <b>24,048</b> | <b>22,207</b> | <b>24,626</b> |
| <b>Total shareholders' equity and liabilities</b> |      | <b>31,450</b> | <b>29,352</b> | <b>31,950</b> |

## Condensed consolidated changes in shareholders' equity

| SEK M                               | 31 Mar 2024   |                        |                            | 31 Mar 2023   |                        |                            |
|-------------------------------------|---------------|------------------------|----------------------------|---------------|------------------------|----------------------------|
|                                     | Share capital | Profit brought forward | Total shareholders' equity | Share capital | Profit brought forward | Total shareholders' equity |
| <b>Opening balance</b>              | <b>867</b>    | <b>6,457</b>           | <b>7,324</b>               | <b>867</b>    | <b>6,315</b>           | <b>7,183</b>               |
| Total comprehensive income          | -             | 65                     | 65                         | -             | -35                    | -35                        |
| Performance based incentive program | -             | 14                     | 14                         | -             | -2                     | -2                         |
| <b>Closing balance</b>              | <b>867</b>    | <b>6,536</b>           | <b>7,403</b>               | <b>867</b>    | <b>6,278</b>           | <b>7,145</b>               |

## Condensed consolidated cash flow statement

| SEK M  | Q1          |             | R12 Apr-Mar   | Jan-Dec       |
|--|-------------|-------------|---------------|---------------|
|  | 2024        | 2023        | 2023/2024     | 2023          |
| <b>OPERATING ACTIVITIES</b>  |             |             |               |               |
| Operating profit/loss  | -100        | 152         | 1,550         | 1,802         |
| Adjustments for items not included in cash flow                              | 381         | 252         | 663           | 534           |
| Interest paid and received   | -60         | -25         | -197          | -162          |
| Taxes paid   | -36         | -39         | -49           | -52           |
| <b>Cash flow from operating activities before changes in working capital</b> | <b>186</b>  | <b>340</b>  | <b>1,968</b>  | <b>2,122</b>  |
| Divestment of property projects  | 442         | 640         | 550           | 747           |
| Gross investments in property projects                                       | -307        | -893        | -1,846        | -2,432        |
| <b>Cash flow from property projects</b>                                      | <b>135</b>  | <b>-254</b> | <b>-1,296</b> | <b>-1,684</b> |
| Other changes in working capital   | -130        | 104         | 135           | 369           |
| <b>Cash flow from changes in working capital</b>                             | <b>5</b>    | <b>-149</b> | <b>-1,161</b> | <b>-1,315</b> |
| <b>Cash flow from operating activities</b>                                   | <b>191</b>  | <b>190</b>  | <b>808</b>    | <b>807</b>    |
| <b>INVESTING ACTIVITIES</b>  |             |             |               |               |
| Acquisition/sale of subsidiaries and other holdings                          | 12          | -16         | 289           | 261           |
| Acquisition/sale of tangible fixed assets                                    | -107        | -123        | -391          | -407          |
| Acquisition/sale of other fixed assets                                       | -54         | -32         | -322          | -301          |
| <b>Cash flow from investing activities</b>                                   | <b>-149</b> | <b>-171</b> | <b>-424</b>   | <b>-446</b>   |
| <b>Cash flow before financing</b>  | <b>42</b>   | <b>19</b>   | <b>384</b>    | <b>361</b>    |
| <b>FINANCING ACTIVITIES</b>  |             |             |               |               |
| <b>Cash flow from financing activities</b>                                   | <b>-185</b> | <b>38</b>   | <b>-410</b>   | <b>-187</b>   |
| <b>Cash flow during the period</b>   | <b>-143</b> | <b>57</b>   | <b>-27</b>    | <b>174</b>    |
| <b>Cash and cash equivalents at beginning of period</b>                      | <b>707</b>  | <b>534</b>  | <b>591</b>    | <b>534</b>    |
| Effects of exchange rate changes on cash and cash equivalents                | 2           | 1           | 2             | 0             |
| <b>Cash and cash equivalents at end of period</b>                            | <b>566</b>  | <b>591</b>  | <b>566</b>    | <b>707</b>    |

## Condensed consolidated net debt

| SEK M  | Q1            |               | R12 Apr-Mar   | Jan-Dec       |
|--|---------------|---------------|---------------|---------------|
|  | 2024          | 2023          | 2023/2024     | 2023          |
| Net cash +/-Net debt - opening balance                     | -4,310        | -3,000        | -3,251        | -3,000        |
| - Cash flow from operating activities                      | 191           | 190           | 808           | 807           |
| - Cash flow from investing activities                      | -149          | -171          | -424          | -446          |
| Cash flow before financing                                 | 42            | 19            | 384           | 361           |
| Change in provisions/receivables for pensions              | 48            | -104          | -473          | -624          |
| Change in leasing debt                                     | -312          | -167          | -606          | -461          |
| Paid dividend  | -             | -             | -586          | -586          |
| Currency exchange differences in cash and cash equivalents | 2             | 1             | 1             | 0             |
| <b>Net cash + /Net debt - closing balance</b>              | <b>-4,530</b> | <b>-3,251</b> | <b>-4,530</b> | <b>-4,310</b> |
| - Whereof provisions/receivables for pensions              | -508          | -35           | -508          | -556          |
| - Whereof leasing debt                                     | -1,551        | -1,545        | -1,551        | -1,380        |
| - Whereof other net cash/net debt                          | -2,471        | -1,670        | -2,471        | -2,374        |

## Parent Company condensed income statement

| SEK M   | Note 1 | Q1         |            | R12 Apr-Mar  | Jan-Dec      |
|---|--------|------------|------------|--------------|--------------|
|   |        | 2024       | 2023       | 2023/2024    | 2023         |
| Net sales                                     |        | 11         | 9          | 174          | 172          |
| Selling and administrative expenses           |        | -74        | -65        | -326         | -316         |
| <b>Operating profit</b>                       |        | <b>-63</b> | <b>-55</b> | <b>-152</b>  | <b>-144</b>  |
| Result from participations in Group companies |        | -          | -          | 1,125        | 1,125        |
| Result from other financial fixed assets      |        | 10         | 14         | 10           | 14           |
| Result from financial current assets          |        | 4          | 2          | 18           | 17           |
| Interest expense and similar items            |        | -7         | -7         | -15          | -15          |
| <b>Result after financial items</b>           |        | <b>-56</b> | <b>-46</b> | <b>987</b>   | <b>997</b>   |
| Appropriations                                |        | -          | -          | 134          | 134          |
| Tax on net profit/loss for the period         |        | 14         | 12         | 4            | 3            |
| <b>Net profit/loss for the period</b>         |        | <b>-42</b> | <b>-34</b> | <b>1,125</b> | <b>1,133</b> |

Net sales pertain to charges to Group companies. The average number of employees was 66 (61).

## Parent Company condensed balance sheet

| SEK M   | Note 1 | 31 Mar 2024  | 31 Mar 2023  | 31 Dec 2023  |
|---|--------|--------------|--------------|--------------|
| <b>ASSETS</b>                                     |        |              |              |              |
| Tangible fixed assets                             |        | 0            | 0            | 0            |
| Financial fixed assets                            |        | 5,150        | 4,572        | 5,125        |
| <b>Total fixed assets</b>                         |        | <b>5,150</b> | <b>4,572</b> | <b>5,126</b> |
| Current receivables                               |        | 33           | 62           | 359          |
| Treasury balances in NCC Treasury AB              |        | 354          | 587          | 133          |
| <b>Total current assets</b>                       |        | <b>387</b>   | <b>649</b>   | <b>492</b>   |
| <b>Total assets</b>                               |        | <b>5,537</b> | <b>5,221</b> | <b>5,618</b> |
| <b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>       |        |              |              |              |
| Shareholders' equity                              |        | 5,051        | 4,496        | 5,079        |
| Provisions  |        | 6            | 6            | 6            |
| Long-term liabilities                             |        | 3            | 2            | 2            |
| Current liabilities                               |        | 477          | 717          | 531          |
| <b>Total shareholders' equity and liabilities</b> |        | <b>5,537</b> | <b>5,221</b> | <b>5,618</b> |

Total approved dividends amounted to SEK 798 M, of which SEK 399 M was paid in April and SEK 399 M will be paid in November.

# Notes

## Note 1. Accounting policies

This interim report has been compiled pursuant to IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The interim report has been prepared in accordance with the International Financial Reporting Standards (IFRS), as approved by the European Union (EU). The interim report covers pages 1–26 and pages 1–16 therefore constitute an integrated part of this financial report.

Several changes to existing standards and interpretations came into effect for the fiscal year commencing after January 1, 2024. NCC has evaluated the effects of changes in respect of "Classification of Liabilities as Current or Non-current" and "Non-current Liabilities with Covenants", "Supplier Finance Arrangements" or "Lease Liability in a Sale and Leaseback" transactions. NCC has made the assessment that the changes do not result in any changes for the Group. Other amendments

that came into effect on January 1, 2024 are not expected to have any material effect on the consolidated financial statements.

### Parent Company

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

The interim report for Parent Company has been prepared pursuant to the same accounting policies and methods of calculation as the 2023 Annual Report (Note 1 and in connection with the subsequent notes).

## Note 2. Depreciation/amortization

| SEK M                                  | Q1          |             | R12 Apr-Mar   | Jan-Dec       |
|--|-------------|-------------|---------------|---------------|
|  | 2024        | 2023        | 2023/2024     | 2023          |
| Other intangible assets                | -17         | -12         | -62           | -58           |
| Owner-occupied properties <sup>1</sup> | -72         | -63         | -323          | -314          |
| Machinery and equipment <sup>2</sup>   | -212        | -207        | -852          | -847          |
| <b>Total depreciation</b>              | <b>-301</b> | <b>-283</b> | <b>-1,237</b> | <b>-1,219</b> |

1) Whereof depreciation of right-of-use assets for the quarter SEK -63 M (-53).

2) Whereof depreciation of right-of-use assets for the quarter SEK -78 M (-76).

## Note 3. Impairment losses

| SEK M                          | Q1        |          | R12 Apr-Mar | Jan-Dec  |
|--------------------------------|-----------|----------|-------------|----------|
|                                | 2024      | 2023     | 2023/2024   | 2023     |
| Machinery and equipment        | -2        | -        | -3          | -2       |
| <b>Total impairment losses</b> | <b>-2</b> | <b>-</b> | <b>3</b>    | <b>2</b> |

## Note 4. Right-of-use assets

| SEK M                            | 31 Mar 2024  | 31 Mar 2023  | 31 Dec 2023  |
|----------------------------------|--------------|--------------|--------------|
| Owner-occupied properties        | 871          | 915          | 797          |
| Machinery and equipment          | 609          | 550          | 503          |
| Land leases <sup>1</sup>         | 1            | 1            | 1            |
| <b>Total right-of-use assets</b> | <b>1,479</b> | <b>1,465</b> | <b>1,300</b> |

1) Land leases are classified as current assets.

## Note 5. Segment reporting

### SEK M

|                                   | NCC<br>Infrastructure | NCC<br>Building<br>Sweden | NCC<br>Building<br>Nordics | NCC<br>Industry | NCC Property<br>Development | <b>Total<br/>segments</b> | Other and<br>eliminations <sup>1</sup> | <b>Group</b>  |
|-----------------------------------|-----------------------|---------------------------|----------------------------|-----------------|-----------------------------|---------------------------|--|---------------|
| <b>Q1 2024</b>                    |                       |                           |                            |                 |                             |                           |  |               |
| Net sales, external               | 3,620                 | 3,217                     | 3,102                      | 973             | 636                         | <b>11,548</b>             | 13                                     | <b>11,561</b> |
| Net sales, internal               | 71                    | 192                       | 129                        | 42              | 2                           | <b>435</b>                | -435                                   | -             |
| Net sales, total                  | 3,690                 | 3,409                     | 3,231                      | 1,015           | 637                         | <b>11,983</b>             | -422                                   | <b>11,561</b> |
| Operating profit                  | 68                    | 55                        | 38                         | -313            | 87                          | <b>-65</b>                | -35                                    | <b>-100</b>   |
| Net financial items               | -                     | -                         | -                          | -               | -                           | -                         | -                                      | <b>-17</b>    |
| Profit/loss after financial items | -                     | -                         | -                          | -               | -                           | -                         | -                                      | <b>-117</b>   |
| <b>Q1 2023</b>                    |                       |                           |                            |                 |                             |                           |  |               |
| Net sales, external               | 3,847                 | 3,141                     | 3,262                      | 1,005           | 1,146                       | <b>12,402</b>             | 63                                     | <b>12,464</b> |
| Net sales, internal               | 87                    | 349                       | 242                        | 53              | -                           | <b>731</b>                | -731                                   | -             |
| Net sales, total                  | 3,935                 | 3,490                     | 3,503                      | 1,058           | 1,146                       | <b>13,133</b>             | -669                                   | <b>12,464</b> |
| Operating profit                  | 67                    | 60                        | 18                         | -261            | 256                         | <b>140</b>                | 12                                     | <b>152</b>    |
| Net financial items               | -                     | -                         | -                          | -               | -                           | -                         | -                                      | <b>33</b>     |
| Profit/loss after financial items | -                     | -                         | -                          | -               | -                           | -                         | -                                      | <b>185</b>    |

1) For more detailed information on Others and eliminations, see table page 13 and explanatory text on the same page.

## 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 the 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 at fair value of currency forward contracts, oil forward contracts and electricity forward contracts is based on accepted 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 based on observable yield curves. In level 3, measurement is based on input data that is not observable in the market.

| SEK M   | 31 Mar 2024 |           |           |            | 31 Mar 2023 |           |           |            | 31 Dec 2023 |            |           |            |
|---|-------------|-----------|-----------|------------|-------------|-----------|-----------|------------|-------------|------------|-----------|------------|
|   | Level 1     | Level 2   | Level 3   | Tot        | Level 1     | Level 2   | Level 3   | Tot        | Level 1     | Level 2    | Level 3   | Tot        |
| <b>Financial assets measured at fair value through profit and loss</b>            |             |           |           |            |             |           |           |            |             |            |           |            |
| Short-term investments  | 605         |           |           | 605        | 432         |           |           | 432        | 450         |            |           | 450        |
| Derivative instruments  |             | 34        |           | 34         |             | 34        |           | 34         |             | 16         |           | 16         |
| <b>Derivative instruments used in hedge accounting</b>                            |             | 32        |           | 32         |             | 63        |           | 63         |             | 16         |           | 16         |
| <b>Financial assets measured at fair value through other comprehensive income</b> |             |           |           |            |             |           |           |            |             |            |           |            |
| Equity instruments  |             |           | 68        | 68         |             |           | 68        | 68         |             |            | 68        | 68         |
| <b>Total assets</b>   | <b>605</b>  | <b>66</b> | <b>68</b> | <b>739</b> | <b>432</b>  | <b>97</b> | <b>68</b> | <b>597</b> | <b>450</b>  | <b>32</b>  | <b>68</b> | <b>550</b> |
| <b>Financial liabilities measured at fair value through profit and loss</b>       |             |           |           |            |             |           |           |            |             |            |           |            |
| Derivative instruments  |             | 7         |           | 7          |             | 1         |           | 1          |             | 53         |           | 53         |
| <b>Derivative instruments used in hedge accounting</b>                            |             | 38        |           | 38         |             | 8         |           | 8          |             | 59         |           | 59         |
| <b>Total liabilities</b>  |             | <b>45</b> |           | <b>45</b>  |             | <b>9</b>  |           | <b>9</b>   |             | <b>112</b> |           | <b>112</b> |

In the table 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   | 31 Mar 2024     |            | 31 Mar 2023     |            | 31 Dec 2023     |            |
|---|-----------------|------------|-----------------|------------|-----------------|------------|
|   | Carrying amount | Fair value | Carrying amount | Fair value | Carrying amount | Fair value |
| Long-term interest-bearing receivables - amortized cost | 204             | 202        | 184             | 177        | 204             | 203        |
| Short-term investments - amortized cost                 | 50              | 49         | 55              | 54         | 51              | 49         |
| Long-term interest-bearing liabilities                  | 3,117           | 3,111      | 3,312           | 3,270      | 3,006           | 2,987      |
| Current interest-bearing liabilities                    | 2,460           | 2,459      | 1,333           | 1,333      | 2,289           | 2,285      |

For other financial instruments recognized at amortized cost (accounts receivable, current interest-bearing receivables, other receivables, cash and cash equivalents, accounts payable and other interest-free liabilities) the fair value does not materially deviate from the carrying amount.

## Note 7. Pledged assets and contingent liabilities

SEK M

| <b>Group</b>  | 31 Mar 2024 | 31 Mar 2023 | 31 Dec 2023 |
|---|-------------|-------------|-------------|
| Assets pledged  | 476         | 404         | 431         |
| Contingent liabilities and guarantee obligations <sup>1 2</sup> | 1,125       | 4,289       | 708         |
| <b>Parent company</b>   |             |             |             |
| Contingent liabilities and guarantee obligations <sup>1 2</sup> | 26,311      | 30,557      | 25,142      |

1) In the comparison periods NCC AB had sureties which were indemnified by Bonava AB based on a Master Separation Agreement. These sureties are completed as of June 2023.

2) Sureties and other liability commitments have primarily been issued as security for the fulfillment of construction contracts, utilized guarantee limits from financial institutions, and lease guarantees arising from the disposal of properties in commercial real estate development.

# Summary of key figures

|  | Q1     |        | R12 Apr-Mar |        | Jan-Dec |        |        |
|--|--------|--------|-------------|--------|---------|--------|--------|
|  | 2024   | 2023   | 2023/2024   | 2023   | 2022    | 2021   | 2020   |
| <b>Profitability ratios</b>  |        |        |             |        |         |        |        |
| Return on shareholders equity, % <sup>1</sup>                                    | 18     | 21     | 18          | 21     | 17      | 32     | 37     |
| Return on capital employed, % <sup>1</sup>                                       | 12     | 15     | 12          | 15     | 12      | 16     | 12     |
| <b>Financial ratios at period-end</b>  |        |        |             |        |         |        |        |
| EBITDA % including effects of dividends  | 1.8    | 3.5    | 5.0         | 5.3    | 4.8     | 5.9    | 5.2    |
| Interest-coverage ratio, times <sup>1</sup>                                      | 13     | 27     | 13          | 24     | 16      | 23     | 13     |
| Equity/asset ratio, %  | 24     | 24     | 24          | 23     | 24      | 20     | 14     |
| Interest bearing liabilities/total assets, %                                     | 19     | 16     | 19          | 18     | 15      | 21     | 26     |
| Net cash +/- Net debt -, SEK M   | -4,530 | -3,251 | -4,530      | -4,310 | -3,000  | -2,932 | -4,823 |
| Debt/equity ratio, times   | 0.6    | 0.5    | 0.6         | 0.6    | 0.4     | 0.5    | 1.2    |
| Capital employed at period end, SEK M  | 13,488 | 11,824 | 13,488      | 13,175 | 11,480  | 12,055 | 11,375 |
| Capital employed, average, SEK M   | 13,177 | 11,720 | 13,177      | 12,776 | 11,766  | 11,430 | 10,983 |
| Capital turnover rate, times <sup>1</sup>  | 4.3    | 4.8    | 4.3         | 4.5    | 4.6     | 4.7    | 4.9    |
| Closing interest rate, % <sup>3</sup>  | 5.1    | 4.4    | 5.1         | 5.1    | 4.1     | 1.1    | 1.1    |
| Average period of fixed interest, years <sup>3</sup>                             | 0.6    | 1.0    | 0.6         | 0.7    | 1.0     | 0.5    | 1.0    |
| <b>Per share data</b>  |        |        |             |        |         |        |        |
| Profit/loss after tax, before and after dilution, SEK                            | -0.95  | 1.56   | 13.59       | 16.11  | 10.29   | 14.02  | 11.68  |
| Cash flow from operating activities, before and after dilution, SEK              | 1.96   | 1.95   | 8.27        | 8.27   | 2.55    | 21.00  | 14.56  |
| Cash flow before financing, before and after dilution, SEK                       | 0.43   | 0.20   | 3.93        | 3.70   | -1.30   | 17.62  | 10.26  |
| P/E ratio <sup>1</sup>   | 11     | 7      | 11          | 8      | 9       | 12     | 13     |
| Dividend, ordinary, SEK  | -      | -      | 8.00        | 8.00   | 6.00    | 6.00   | 5.00   |
| Dividend yield, %  | -      | -      | 5.4         | 6.4    | 6.2     | 3.6    | 3.3    |
| Shareholders' equity before and after dilution, SEK                              | 75.80  | 73.21  | 75.80       | 74.99  | 73.60   | 54.32  | 36.89  |
| Share price/shareholders' equity, %  | 194    | 126    | 194         | 167    | 132     | 309    | 407    |
| Share price at period-end, NCC B, SEK  | 147.30 | 91.90  | 147.30      | 125.60 | 97.25   | 167.70 | 150.00 |
| <b>Number of shares, millions</b>  |        |        |             |        |         |        |        |
| Total number of issued shares <sup>2 4</sup>                                     | 99.8   | 108.4  | 99.8        | 99.8   | 108.4   | 108.4  | 108.4  |
| Treasury shares at period-end  | 2.1    | 10.8   | 2.1         | 2.1    | 10.8    | 0.8    | 0.8    |
| Total number of shares outstanding at period-end before and after dilution       | 97.7   | 97.6   | 97.7        | 97.7   | 97.6    | 107.6  | 107.7  |
| Average number of shares outstanding before and after dilution during the period | 97.7   | 97.6   | 97.7        | 97.6   | 103.9   | 107.6  | 107.8  |
| Market capitalization before and after dilution, SEK M                           | 14,397 | 9,009  | 14,397      | 12,271 | 9,636   | 18,035 | 16,144 |
| <b>Personnel</b>   |        |        |             |        |         |        |        |
| Average number of employees  | 11,479 | 12,166 | 11,479      | 12,243 | 12,485  | 13,002 | 14,388 |

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

2) All shares issued by NCC are common shares.

3) Refers to interest-bearing liabilities excluding pension liabilities according to IAS 19 and leases according to IFRS 16.

4) Withdrawal of 8,674,866 own shares series B was made during the second quarter 2023.

For definitions of key figures, see <https://ncc.com/investor-relations/ncc-share/financial-definitions/>

## Invitation to presentation of the Interim Report for the first quarter of 2024

NCC's President and CEO Tomas Carlsson and Chief Financial Officer Susanne Lithander will present the interim report at a webcast and teleconference on May 3, 2024 at 9:00 a.m. (CEST). The presentation will be held in English.

Presentation material will be available at [ncc.com/ir](https://ncc.com/ir) from approximately 8:00 a.m. (CEST).

Link to webcast:

### Webcast Q1

To participate by phone, please call one of the following numbers five minutes prior to the start of the conference.

SE: +46 8 505 100 31

UK: +44 207 107 06 13

US: +1 631 570 56 13

For further information, please contact:

### Susanne Lithander

Chief Financial Officer (CFO)

tel. +46 730 37 08 74

### Maria Grimberg

Head of Communication & Investor Relations

tel. +46 708 96 12 88

## Financial calendar

Interim report Q2 2024 and Jan-Jun 2024 Jul 16, 2024

Interim report Q3 2024 and Jan-Sep 2024 Oct 25, 2024

Interim report Q4 2024 and Oct-Dec 2024 Feb 10, 2025

Interim report Q1 2025 and Jan-Mar 2025 Apr 29, 2025

This is the type of information that NCC AB 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 May 3, 2024, at 7:10 a.m. CEST.

Saimaanportti school in the city of Mikkeli, Finland, encompasses approximately 62,000 square meters and accommodates 850 students from grades 1 through 9. NCC's assignment also included the construction of a sports hall, gym and schoolyard. Construction commenced in May 2022 and the school was completed in early 2024.



Visitor address Herrjärva torg 4, SE-170 80 Solna

Postal address NCC AB, SE-170 80 Solna, Sweden

Telephone +46 8 585 510 00

Website [ncc.com](https://ncc.com)

E-mail [ir@ncc.se](mailto:ir@ncc.se)

