

Interim report

January 1 - June 30, 2015

Peter Wågström
President and CEO

Ann-Sofie Danielsson
Chief Financial Officer

Rotebro bridge, Stockholm



Rotebro bridge, Stockholm



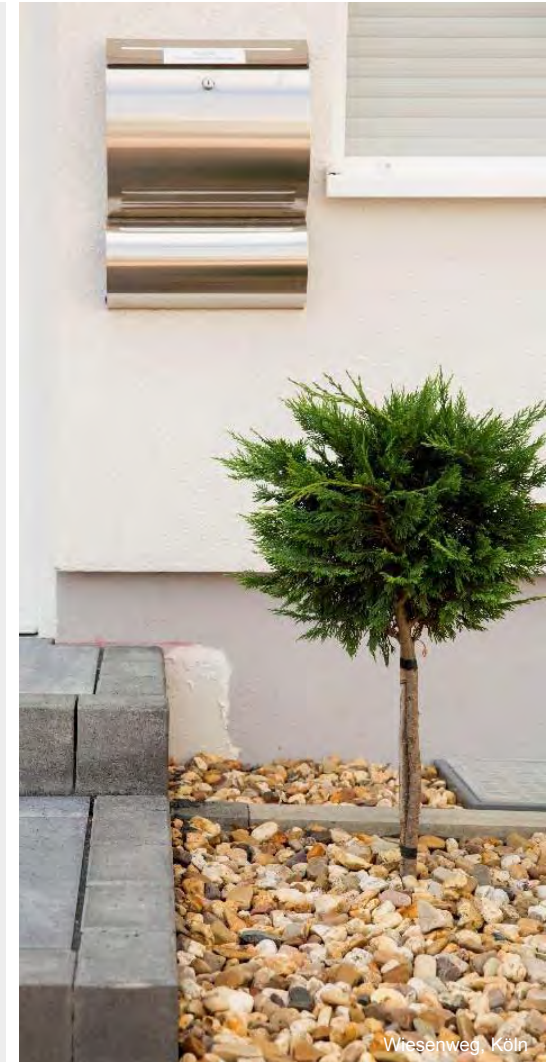
Q2 2015 in brief

Orders received
SEK 15.8 BN (17.3)

Order backlog
SEK 58.4 BN (56.7)

Net sales
SEK 14.2 BN (13.5)

Profit after financial items
SEK 541 M (576)



January - June 2015 in brief

Orders received

SEK 29.1 BN (30.5)

Order backlog

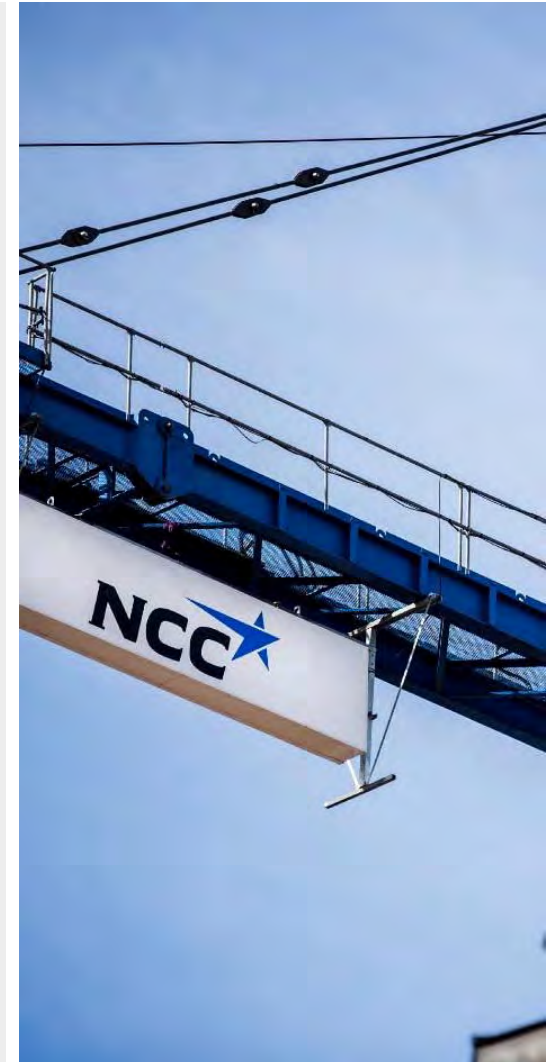
SEK 58.4 BN
(54.8, Dec. 31 2014)

Net sales

SEK 25.4 BN (23.3)

Profit after financial items

SEK 287 M (336)



Trends in Nordic construction market

Sweden

- Favorable trend in all segments

Norway

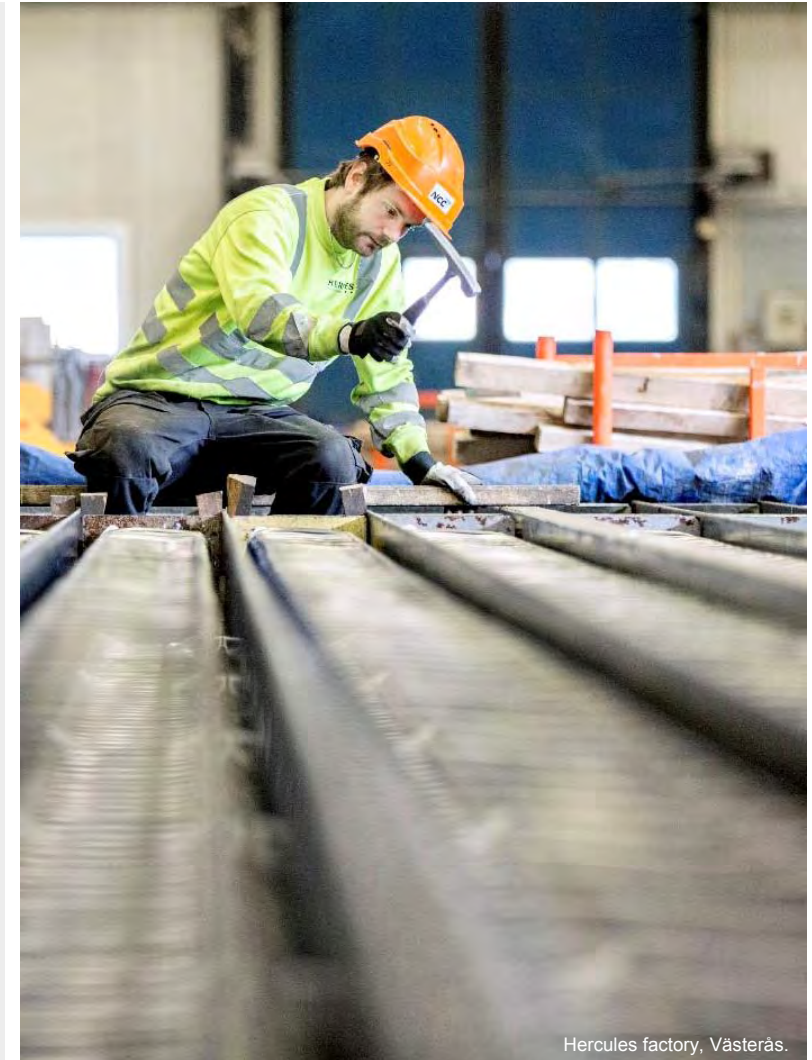
- Favorable trend in infrastructure

Denmark

- Growth in Copenhagen and Aarhus – residential and other buildings, energy renovation

Finland

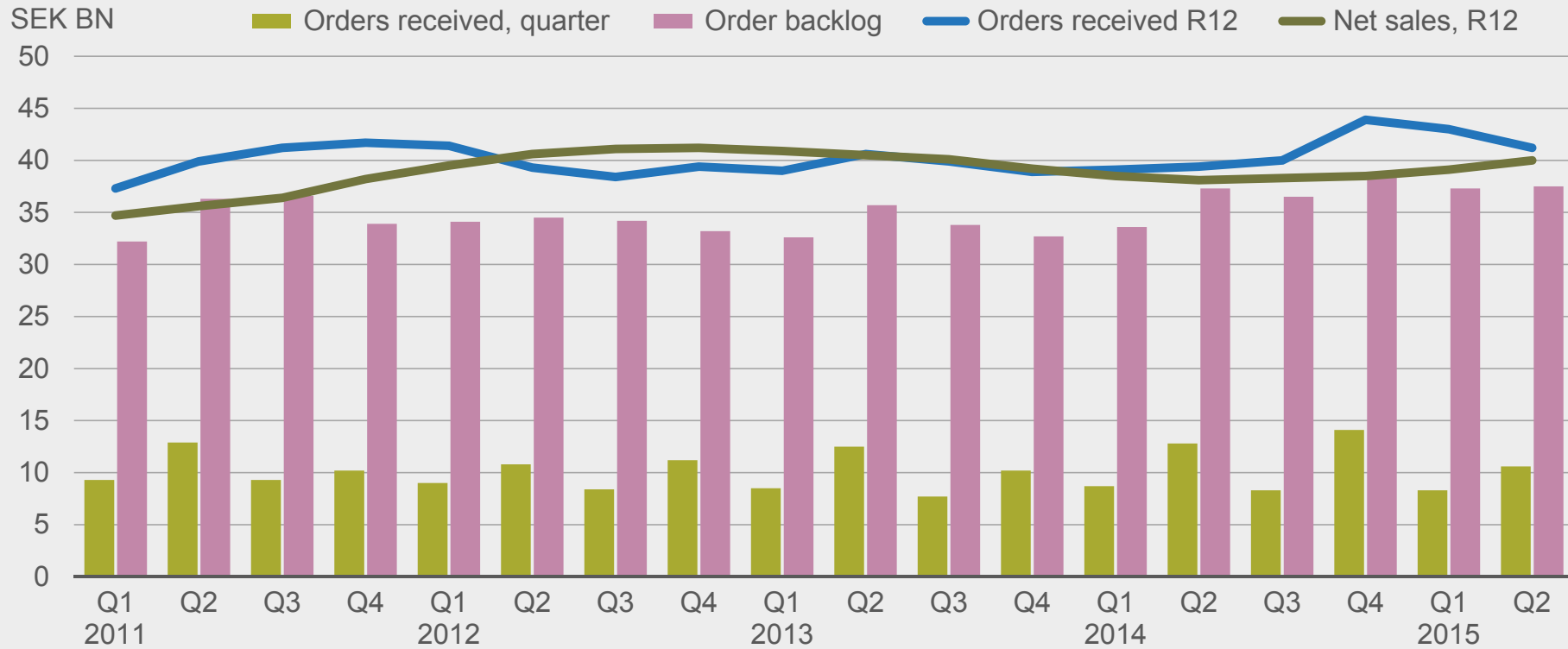
- Challenging market



Hercules factory, Västerås.

Increasing net sales

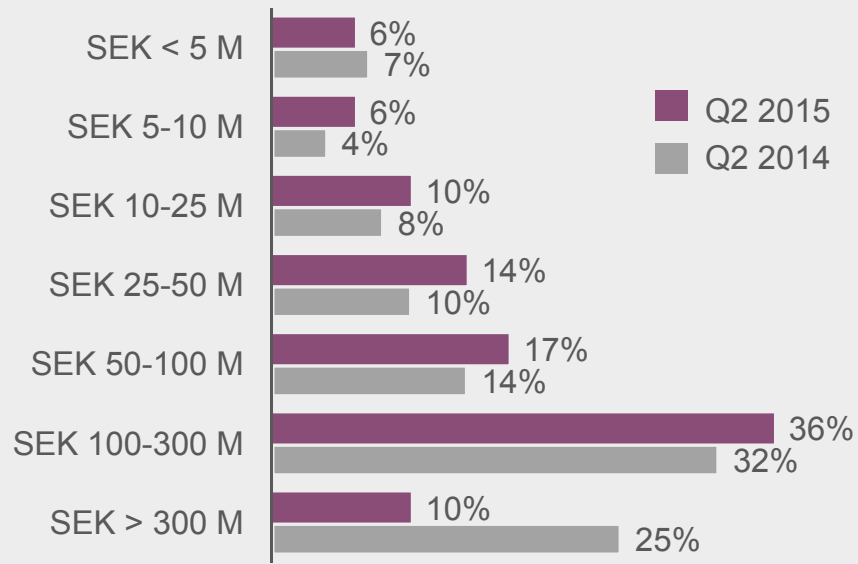
NCC Construction



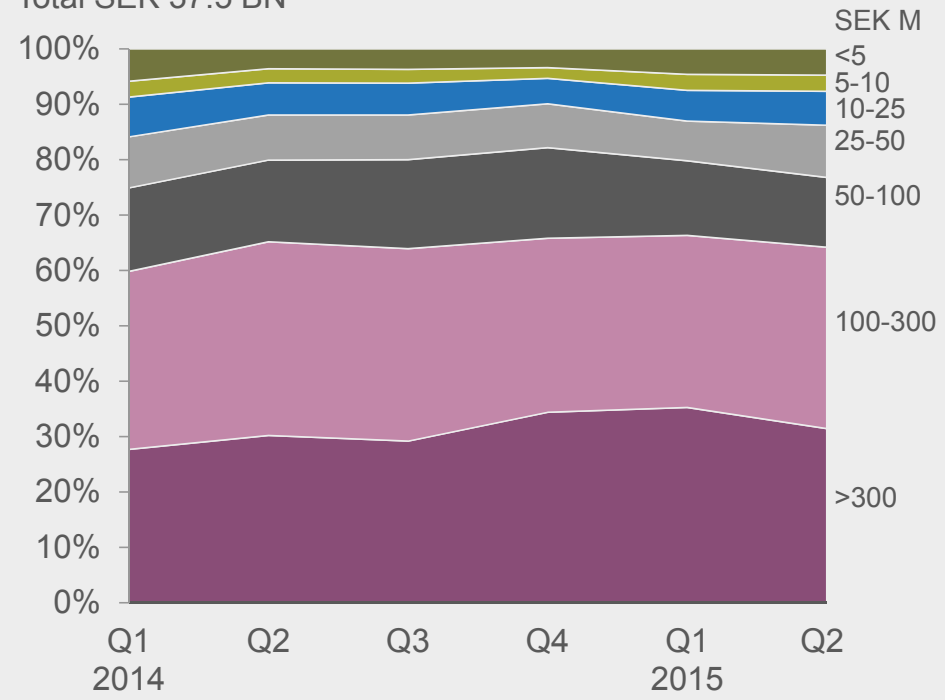
Increased share of small/medium projects

NCC Construction

Project size, orders received
Total SEK 10.6 BN

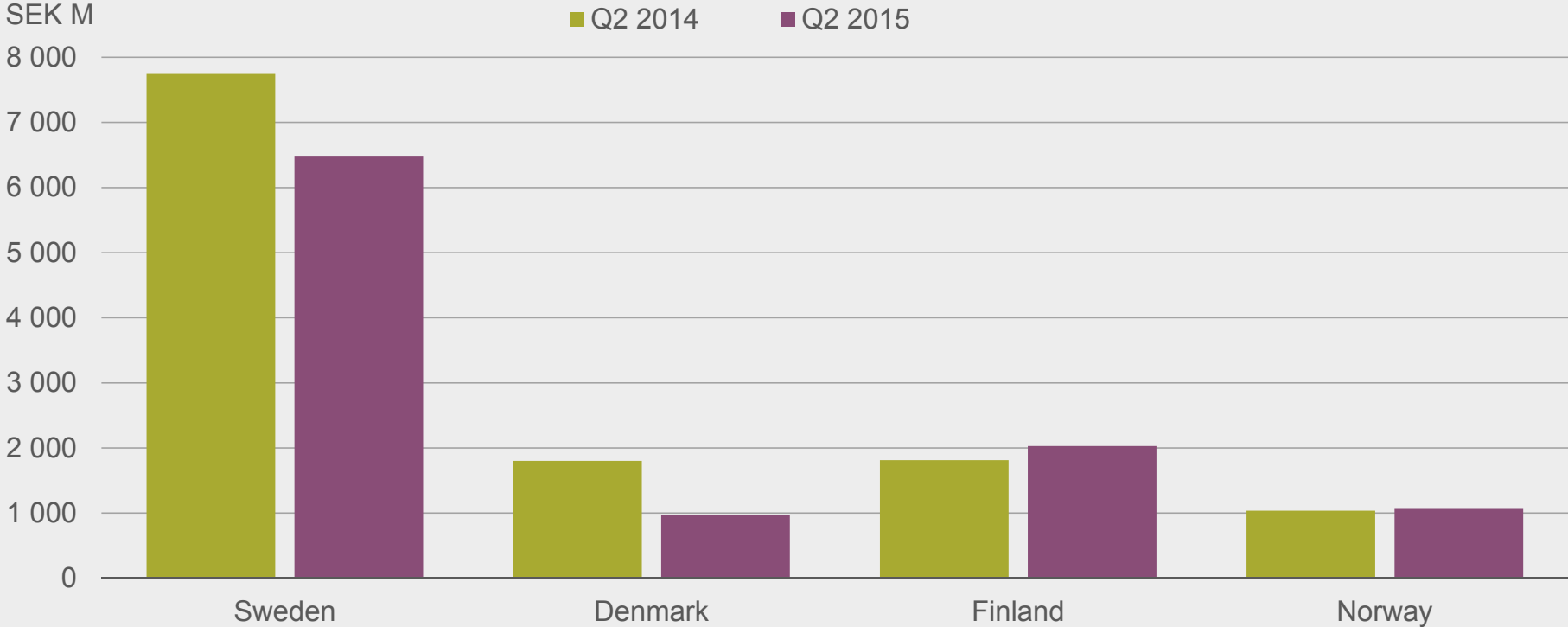


Project size, order backlog
Total SEK 37.5 BN



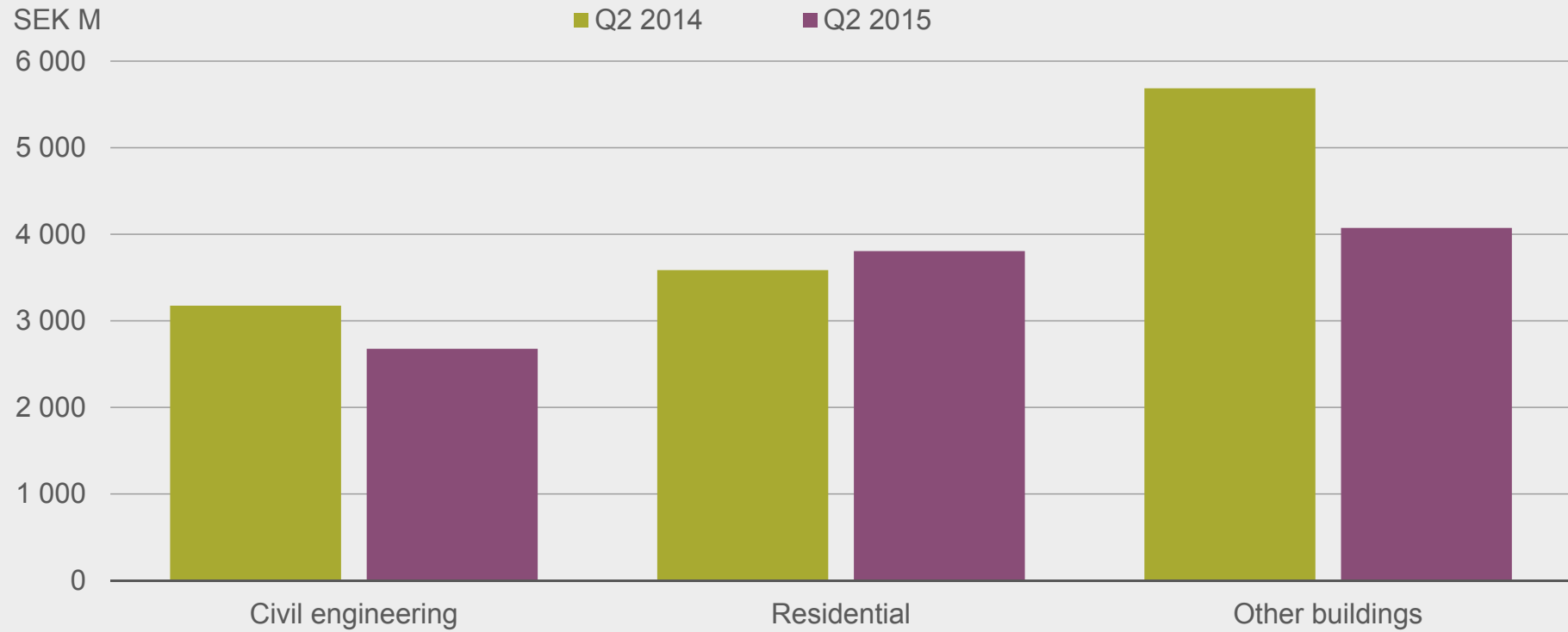
Geographical distribution

Orders received, NCC Construction



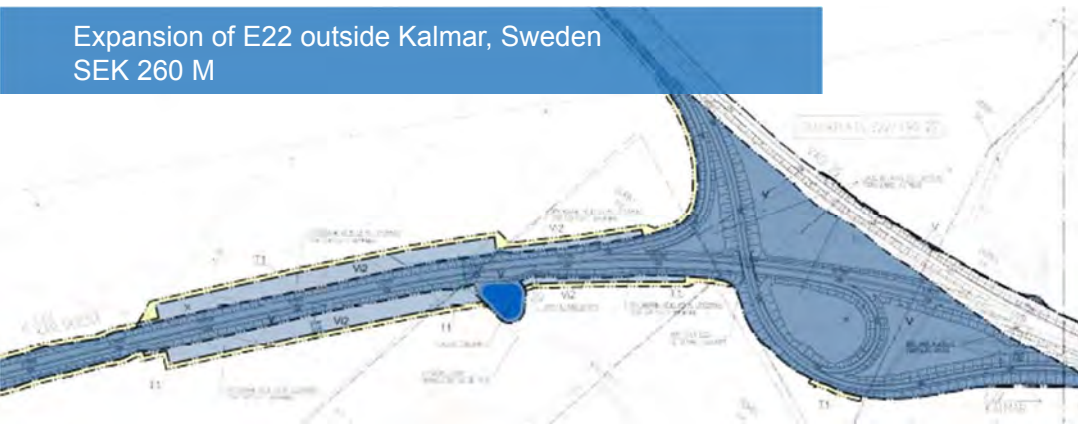
Good order intake in residential

Orders received, NCC Construction



A selection of construction projects in Q2

Expansion of E22 outside Kalmar, Sweden
SEK 260 M



Brynsengfaret School, Oslo, Norway
SEK 270 M



Residential at Islands Brygge in Copenhagen, Denmark
SEK 360 M



Refurbishment and expansion of the Harju campus in Finland
SEK 270 M



Several major partnering agreements signed in Q2

- New Children's hospital, Gothenburg, ≈ SEK 850 M
- Expansion of Södersjukhuset, Stockholm, ≈ SEK 1 BN
- Three hospitals in Sörmland, ≈ SEK 3 BN

To be registered in coming quarters



Trends in stone material, asphalt and road service

The Nordic market

Stone material

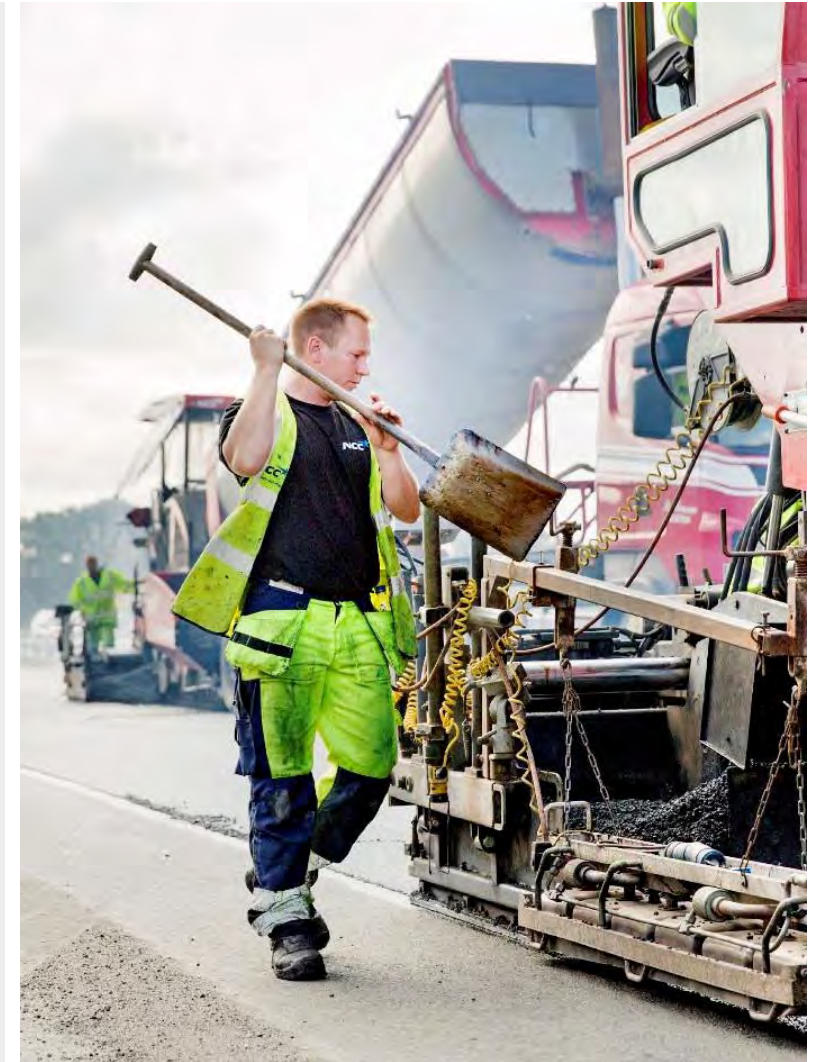
- Stable demand

Asphalt

- Favorable demand

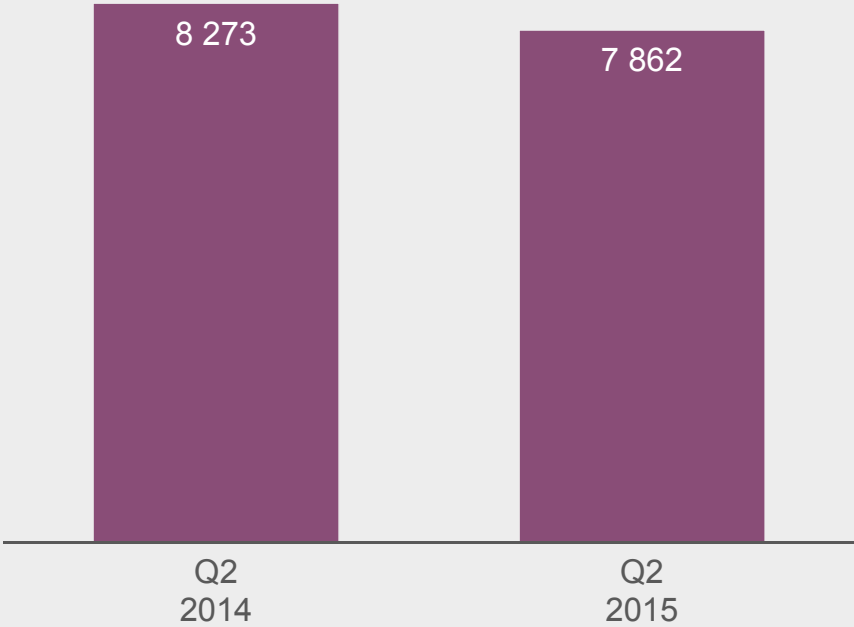
Road service

- Stable demand



Slightly lower volume of stone material

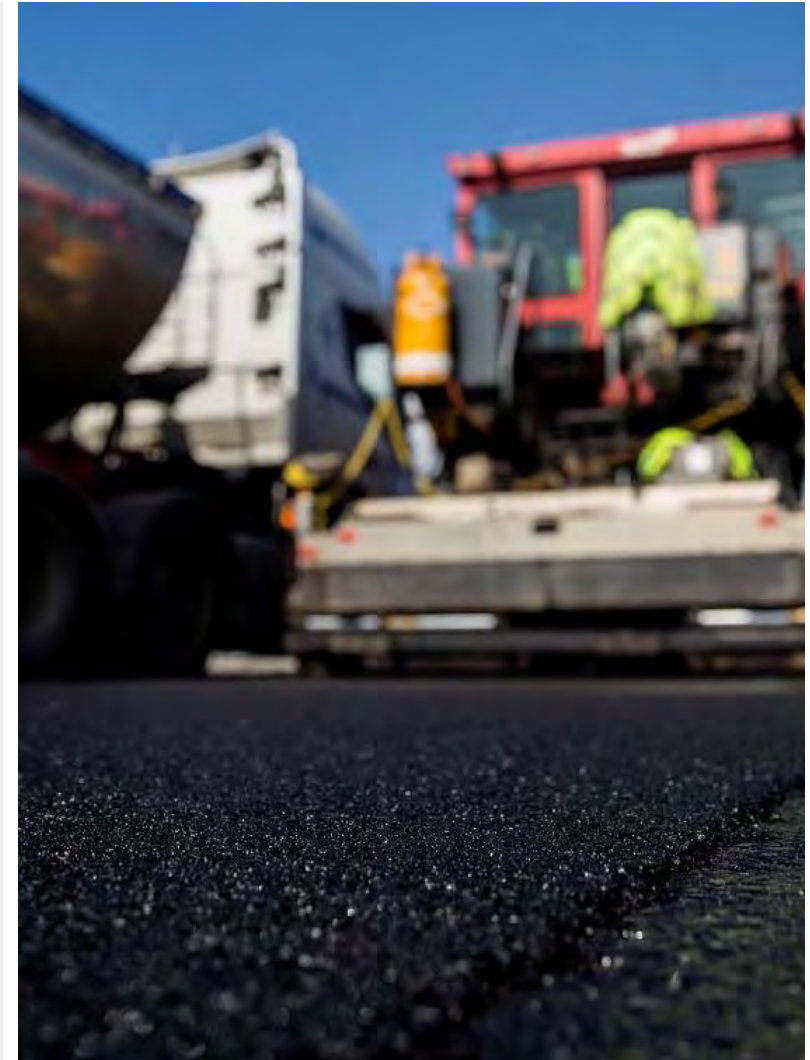
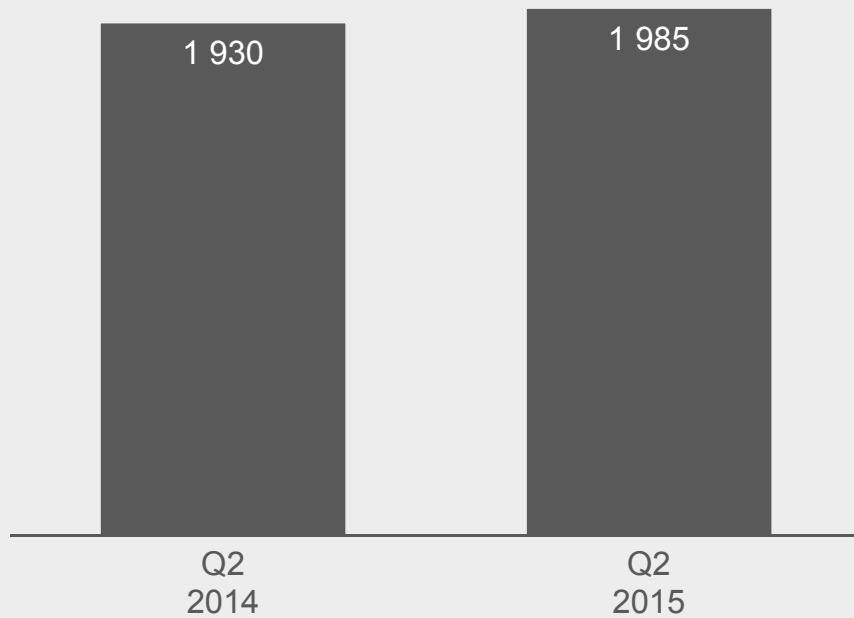
Volumes of stone material sold, thousands of tons



Ohkola quarry, Finland

...slightly higher asphalt volumes

Volumes of asphalt sold, thousands of tons



Asphalt case in Norway

- The Norwegian Competition Authority imposed a fine of NOK 140 million on NCC for unlawful cooperation in Trøndelag from 2005 until 2008
- In 2014, the District Court in Norway reduced the fine to NOK 40 million
- The Court of Appeal in Norway decided to raise the fine imposed on NCC in the asphalt case from NOK 40 million to NOK 150 million
- NCC has earlier made a provision based on Norwegian case law
- NCC has until mid-September to appeal the judgment to the Supreme Court in Norway

Trends in residential markets

Private customers

- Favorable market in Sweden and Germany
- Stable demand in St. Petersburg
- Challenging market in Finland
- Local variation in Norway
- Good demand in Copenhagen

Investor markets

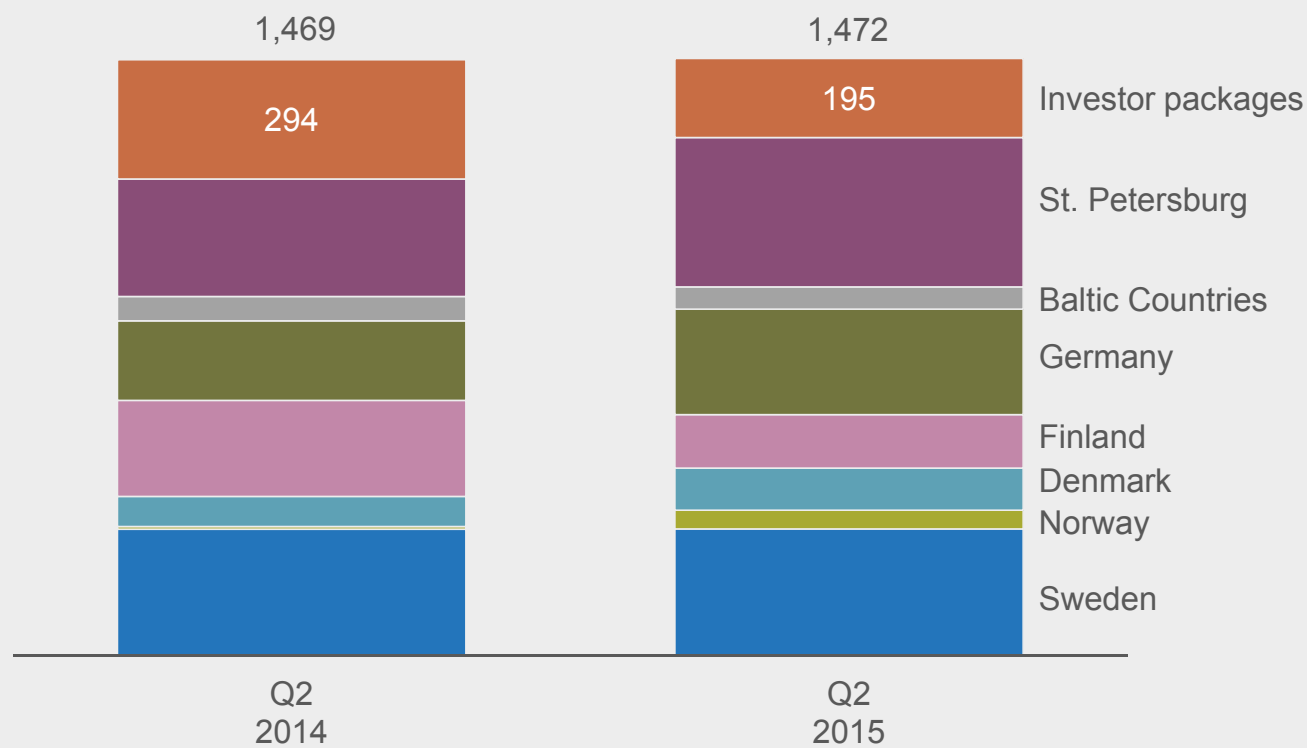
- Strong demand for investor packages in Germany, Sweden and Finland



Provinzialstrasse, Ahrstrasse, Niederkassel, Germany

Higher sales to private customers

No. of housing units sold



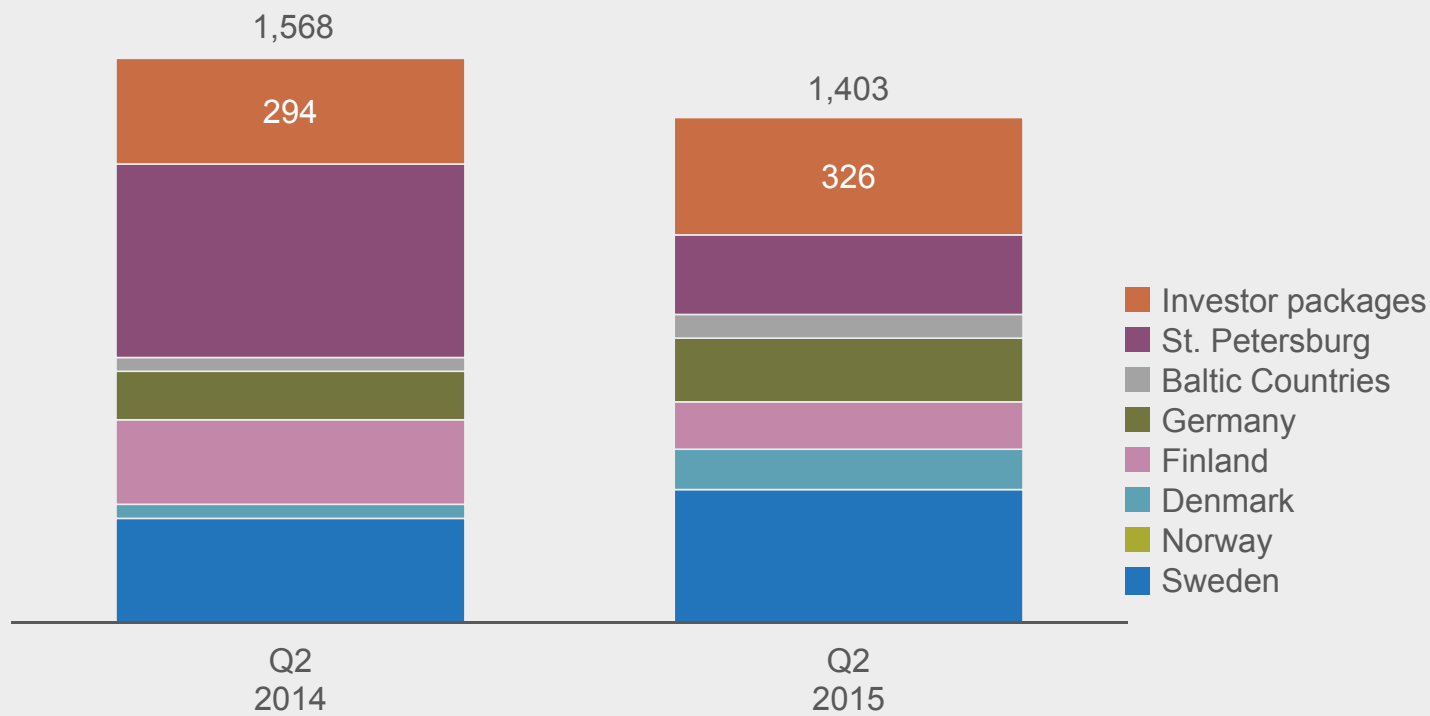
High sales rate

	For private customers		For investors		Total	
	Jun. 31, 2015	Jun. 31, 2014	Jun. 31, 2015	Jun. 31, 2014	Jun. 31, 2015	Jun. 31, 2014
Number of housing units						
Ongoing production	6,538	6,014	1,901	1,600	8,439	7,614
Sales rate, %	70	54	93	100	75	64
Sales including bookings, %	78	62	93	100	81	70
Completion rate, %	53	50	72	50	57	50



Main starts in Sweden

No. of housing starts



Arstaliden, Stockholm

Some of the started housing projects in Q2

Brahenportti, Turku, Finland,
38 units



Strandtorvet, Copenhagen, Denmark
25 units



Götelstraße, Berlin, Germany
18 units

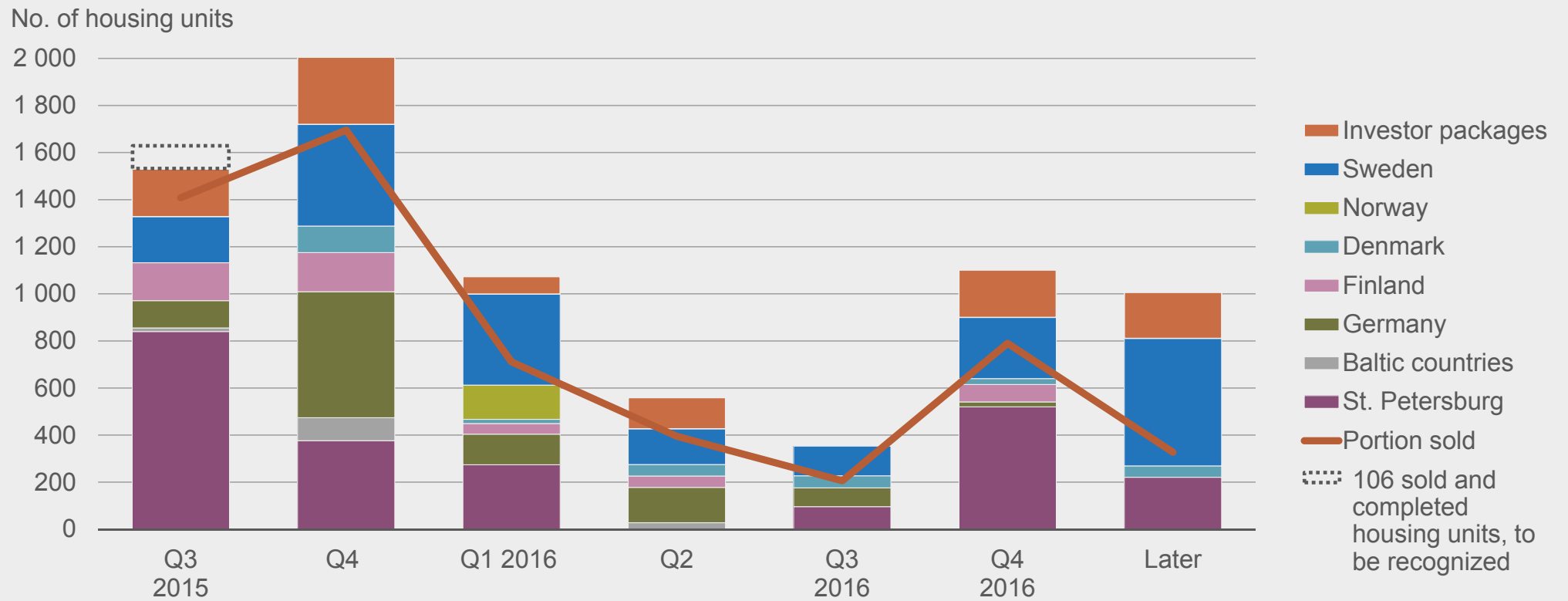


Grand Central, Södertälje, Sweden
42 units



More units to be completed 2015: 3,539 (2,602)

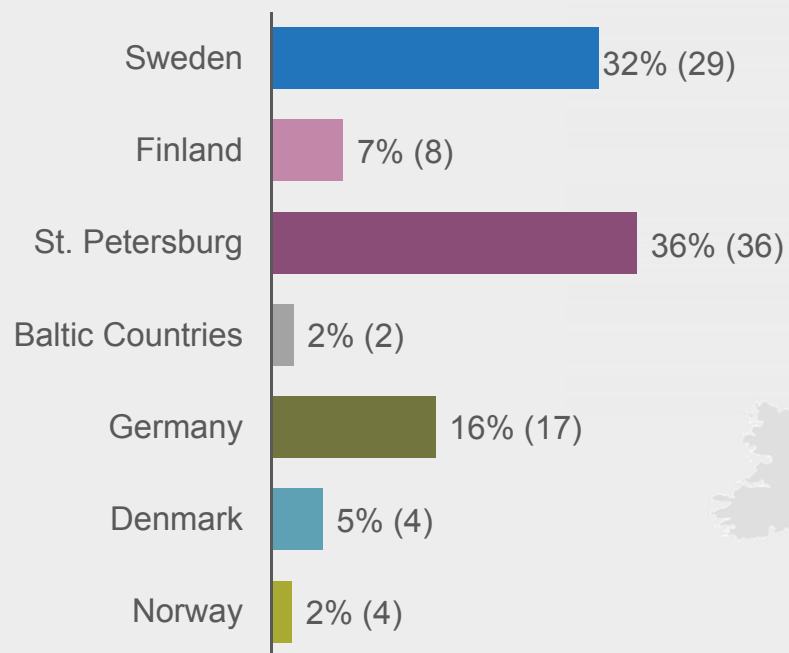
Estimated completion



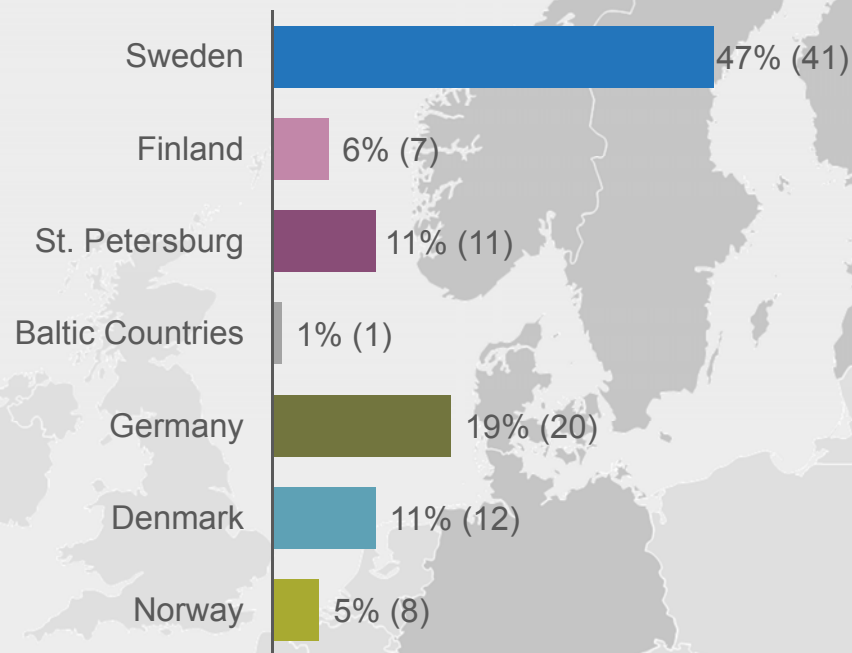
Housing portfolio

*Housing for private customers, ongoing production
June 30, 2015 (Dec. 31 2014)*

Number of housing units



Estimated value



Trends in Nordic property market

Investor market

- High interest in the Nordic market
- Finland
 - Cautious investors

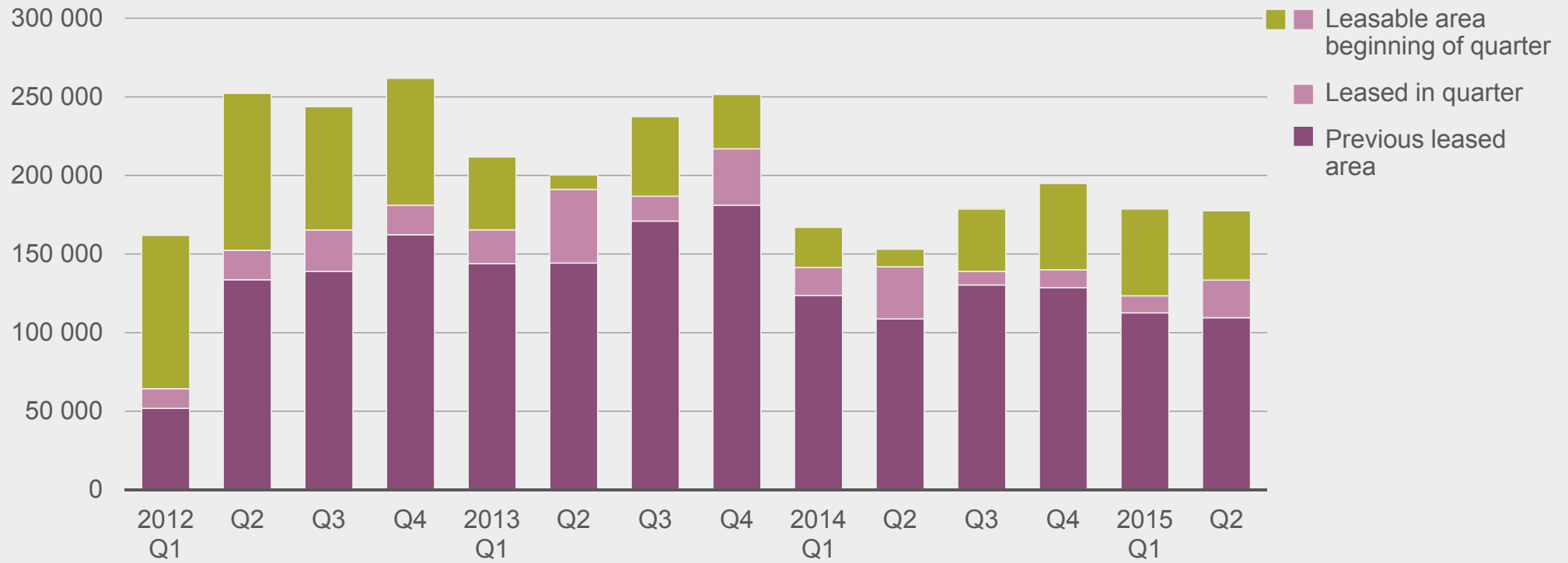
Rental market

- Strong demand in Sweden
- Stable in Denmark
- Weakening in Norway
- Weak demand in Finland



Good lease in the quarter – 23,900 sqm

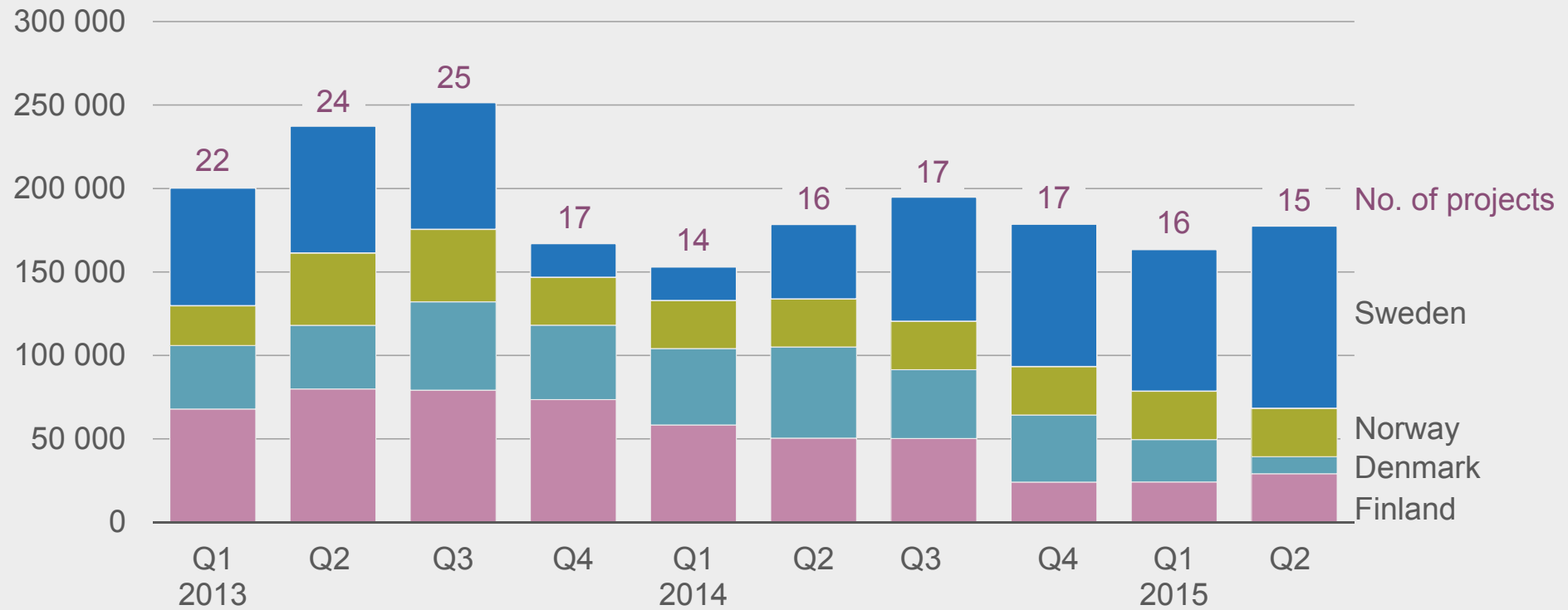
Leased floor space, sqm



Lielathikeskus Retail Cente, Tampere

Sweden – a large part of the portfolio

Leasable space, sqm, in ongoing or completed projects not recognized in profit



NCC takes the next step in the development of Mölndal's new city center





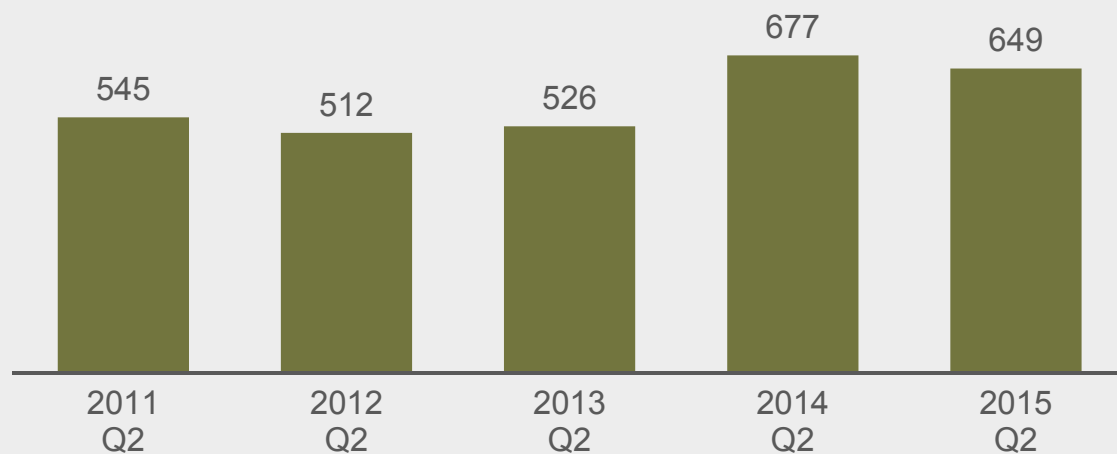
Ann-Sofie Danielsson
Chief Financial Officer

Hürth-Stotzheim, Köln, Gemany

Q2 2015 in brief

- Order backlog on a high level
- Increasing net sales

Operating profit, SEK M

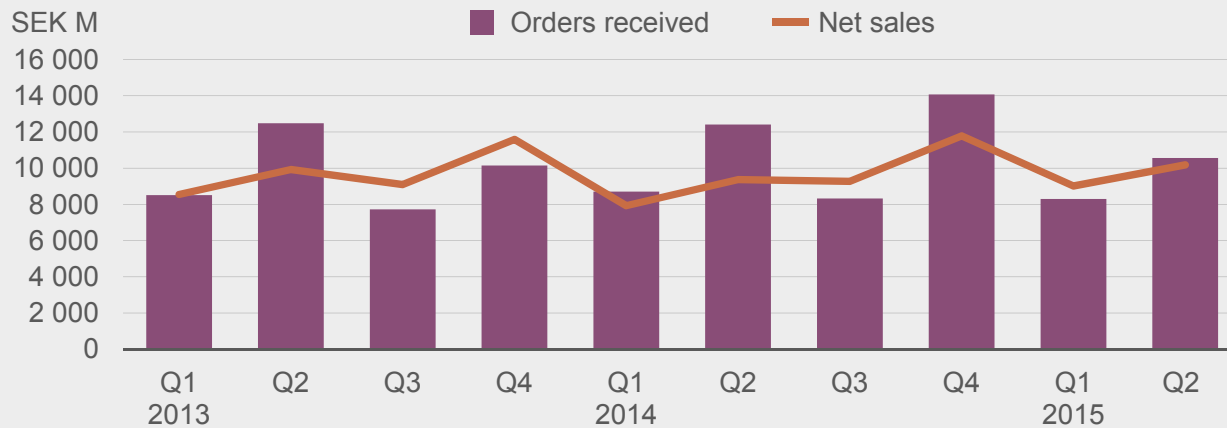


Rådhuset, Kristianstad

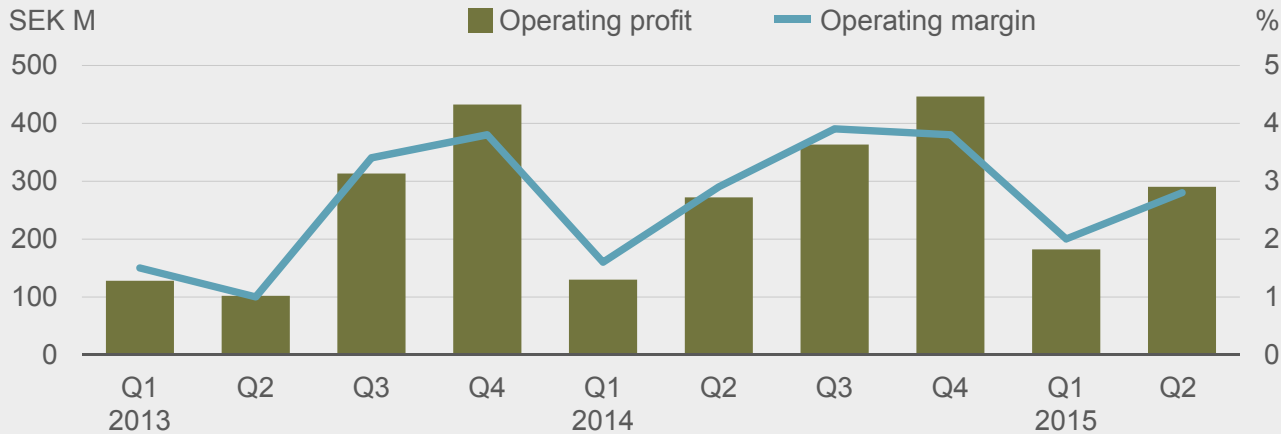
Income statement

SEK M	Apr.-Jun. 2015	Apr.-Jun. 2014	Jul. 14- Jun. 15	Jan.-Dec. 2014
Net sales	14,152	13,479	58,916	56,867
Gross profit	1,493	1,460	5,776	5,691
Selling and administrative expenses	-845	-787	-3,228	-3,117
<i>Cost ratio</i>	6.0%	5.8%	5.5%	5.5%
Other	2	4	30	31
Operating profit/loss	649	677	2,578	2,604
Financial items	-108	-102	-394	-370
Profit after financial items	541	576	2,185	2,234
Tax	-105	-125	-378	-396
<i>Tax rate</i>	19.4%	21.7%	17.3%	17.7%
Profit for the period	436	451	1,806	1,838

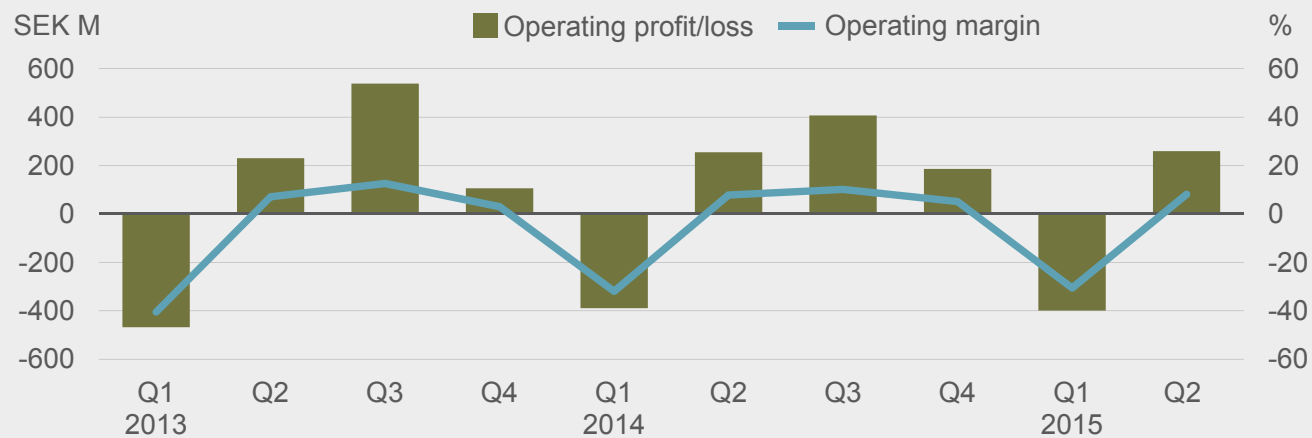
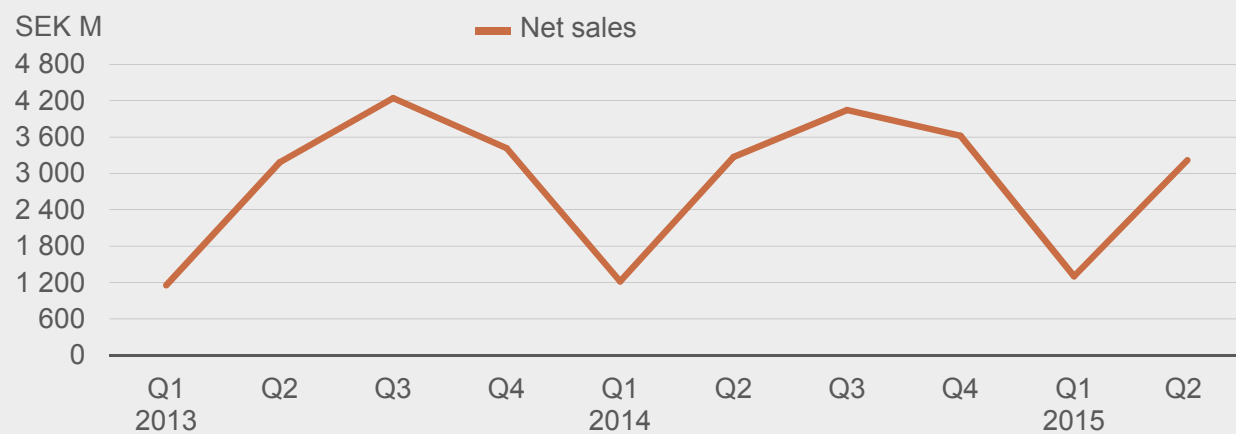
NCC Construction



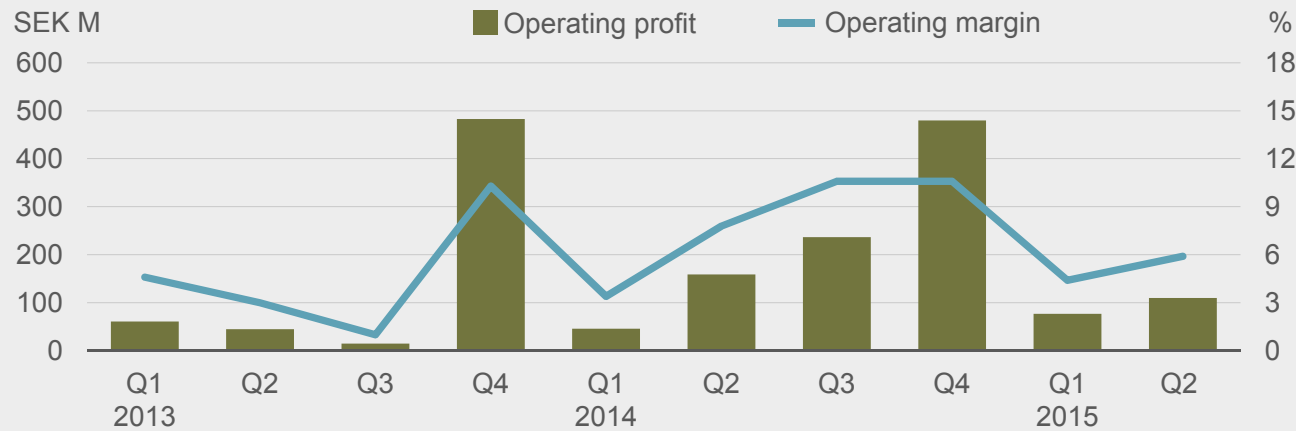
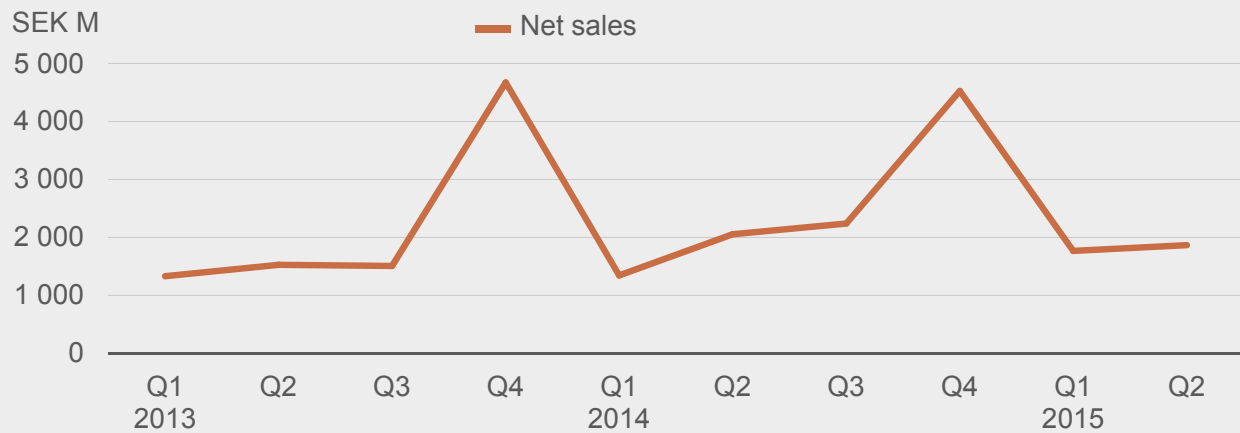
- Higher net sales
10,184 MSEK (9,369)
- Higher operating profit
290 MSEK (272)
- Operating margin
on the same level
2.8% (2.9%)



NCC Roads



NCC Housing



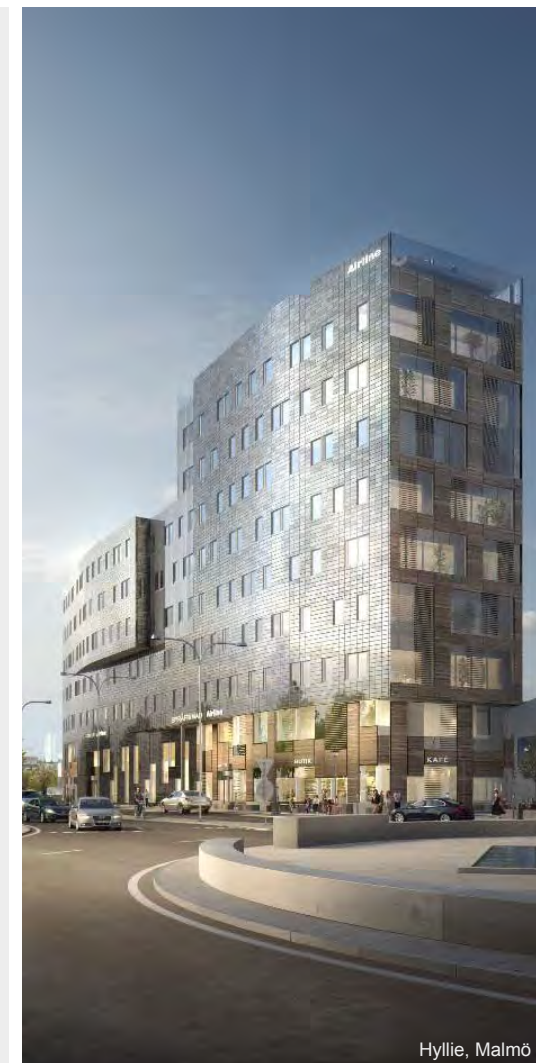
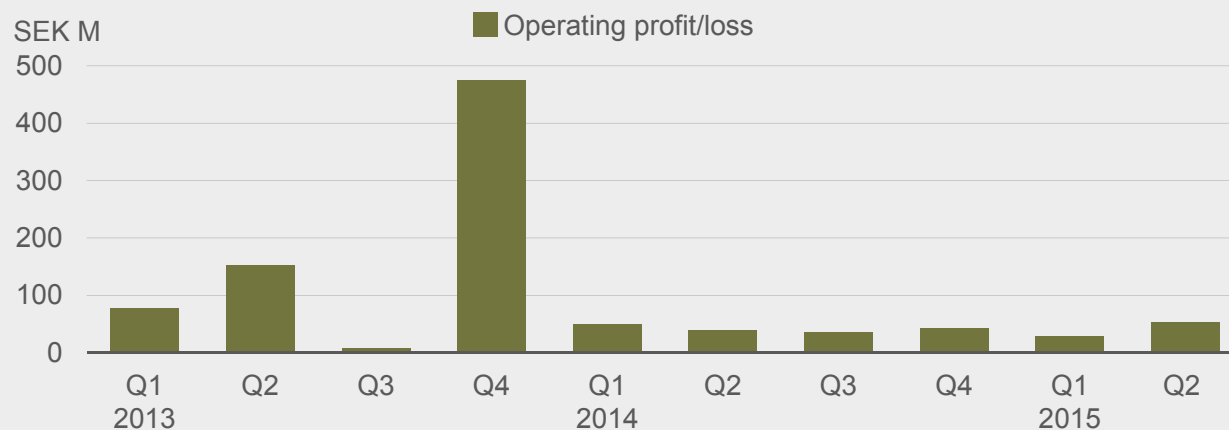
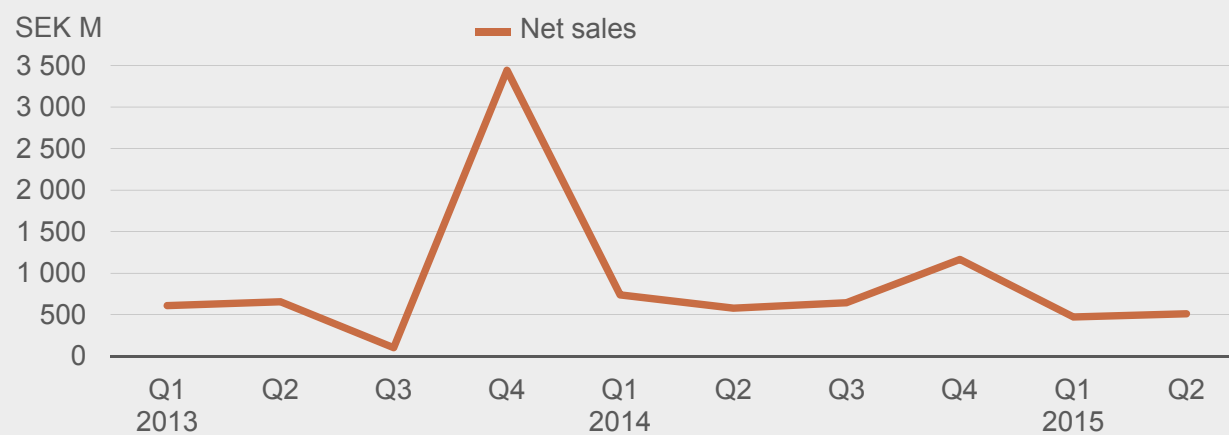
Fewer units profit recognized in Sweden and Denmark

Number of housing units	Apr.-Jun. 2015	Apr.-Jun. 2014
Sweden	151	222
Denmark	16	125
Finland	184	74
Baltic countries	58	45
St. Petersburg	83	121
Norway	47	36
Germany	182	134
Total, private customers	721	757
Investor packages	131	40
Total	852	797



Zwengenberger, Strasse, Haan, Germany

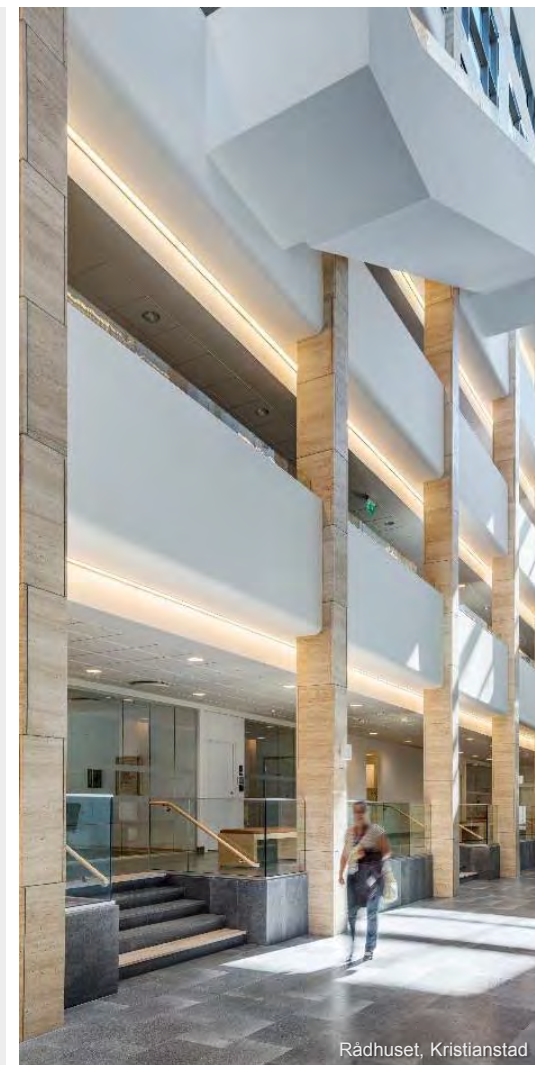
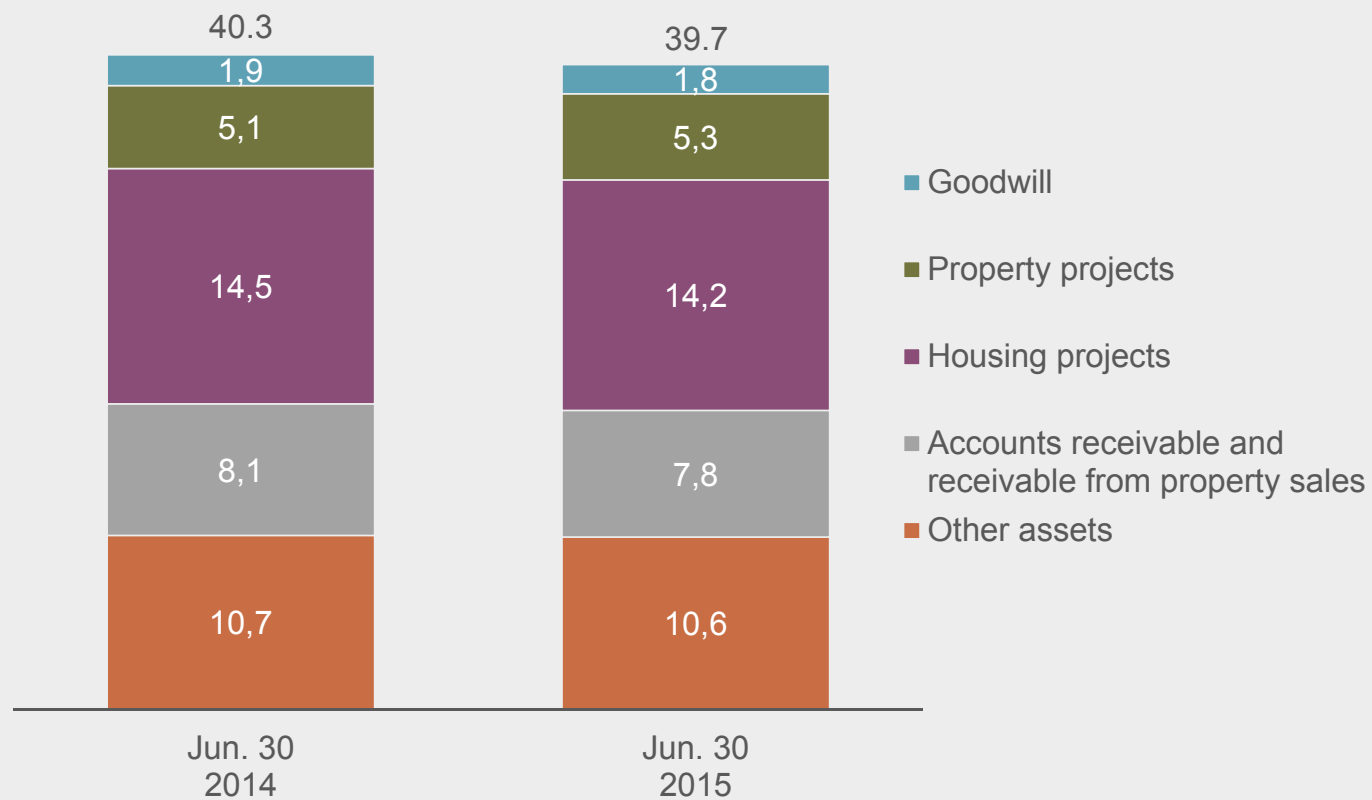
NCC Property Development



Hyllie, Malmö

Balance sheet

SEK BN



Rådhuset, Kristianstad

Cash flow

SEK M	Apr.-Jun. 2015	Apr.-Jun. 2014	Jul. 14- Jun. 15	Jan.-Dec. 2014
From operating activities	471	215	2,733	2,273
From property projects	-229	-167	-236	145
From housing projects	-574	-339	-429	-761
Other working capital	-492	-756	-565	-313
Investing activities	-255	-219	-780	-771
Cash flow before financing	-1,079	-1,267	723	574

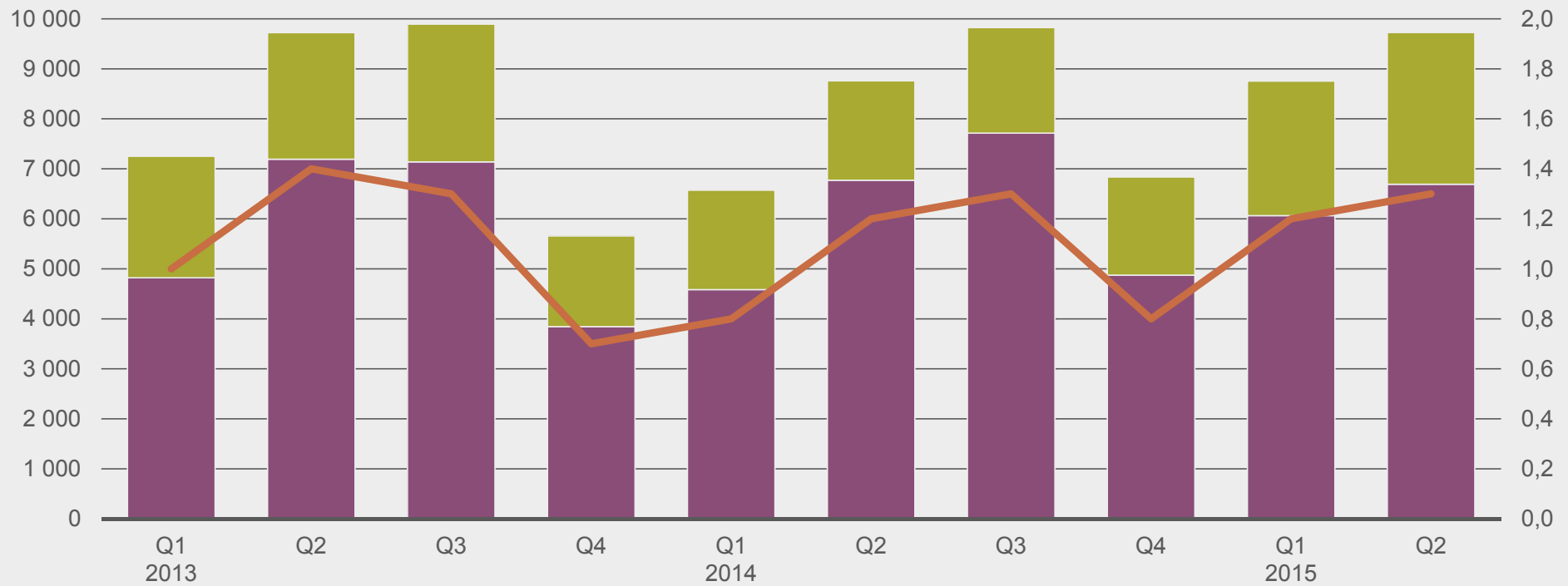


Net indebtedness

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

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

— Debt/equity ratio, times



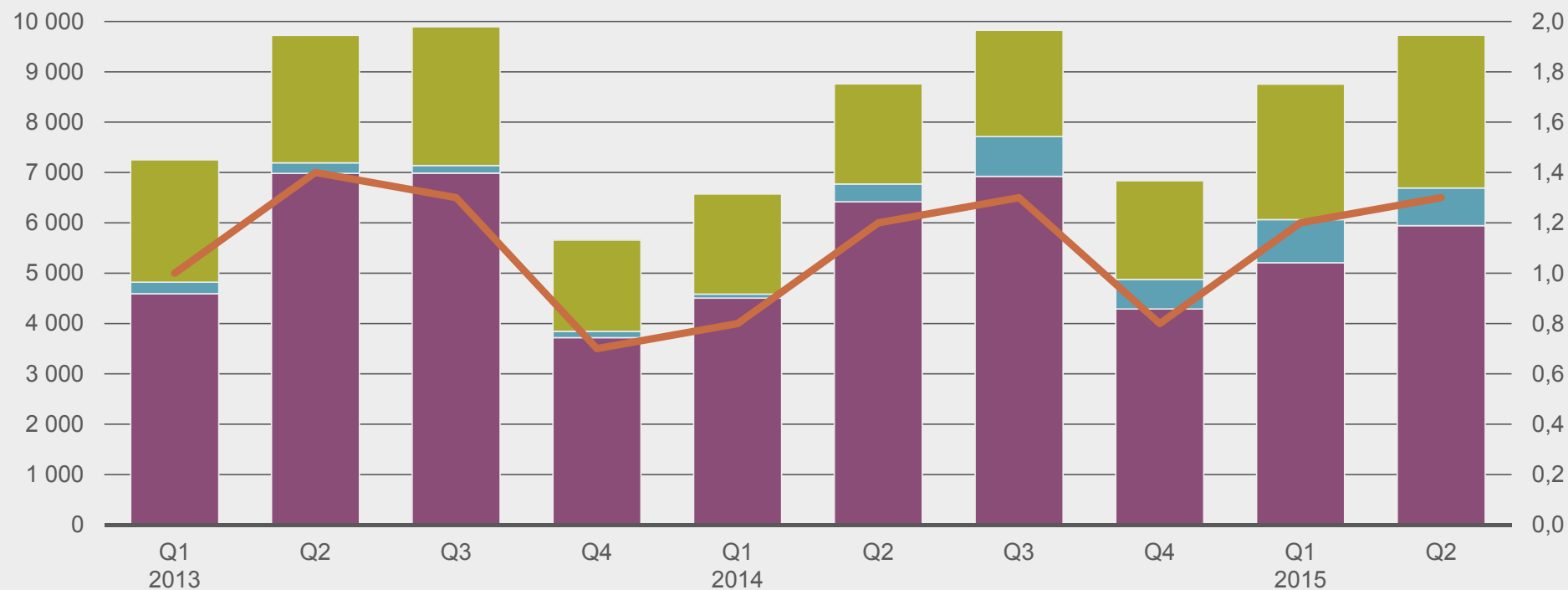
Net indebtedness

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

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

Pension liability, IAS 19 ■

Debt/equity ratio, times —





Hyllie, Malmö

Summary Q2 2015

- Increasing net sales
- Lower result
- Orders received on a good level
- Order backlog on high level
- Good foundation for the second half of 2015





Contact information

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