

Interim report

January 1 - September 30, 2015

Peter Wågström
President and CEO

Ann-Sofie Danielsson
Chief Financial Officer

Royal College of Music, Stockholm

Q3 2015 in brief

Orders received

SEK 13.0 BN (12.4)

Order backlog

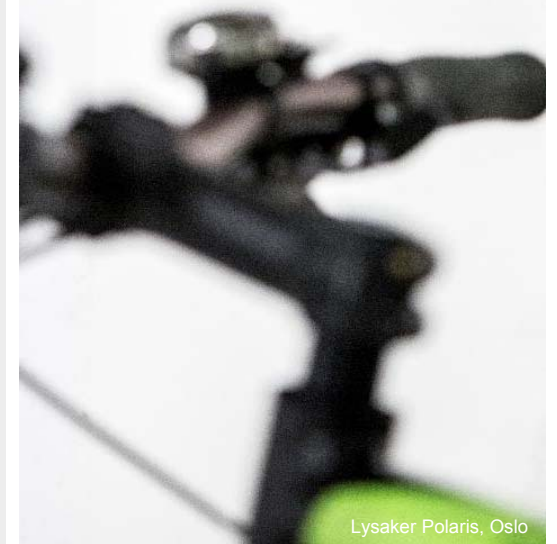
SEK 57.1 BN (54.6)

Net sales

SEK 14.7 BN (14.8)

Profit after financial items

SEK 808 M (881)



Lysaker Polaris, Oslo

January - September 2015 in brief

Orders received

SEK 42.1 BN (42.9)

Order backlog

SEK 57.1 BN
(54.8, Dec. 31 2014)

Net sales

SEK 40.1 BN (38.1)

Profit after financial items

SEK 1,094 M (1,217)



Dome of Visions, Stockholm

Spin-off of NCC Housing

- The investigation completed
- Beneficial to both the shareholders and the company
- The board has decided to begin preparing for a distribution
- More information Capital Markets Day November 26



Trends in Nordic construction market

Sweden

- Favorable trend in all segments

Norway

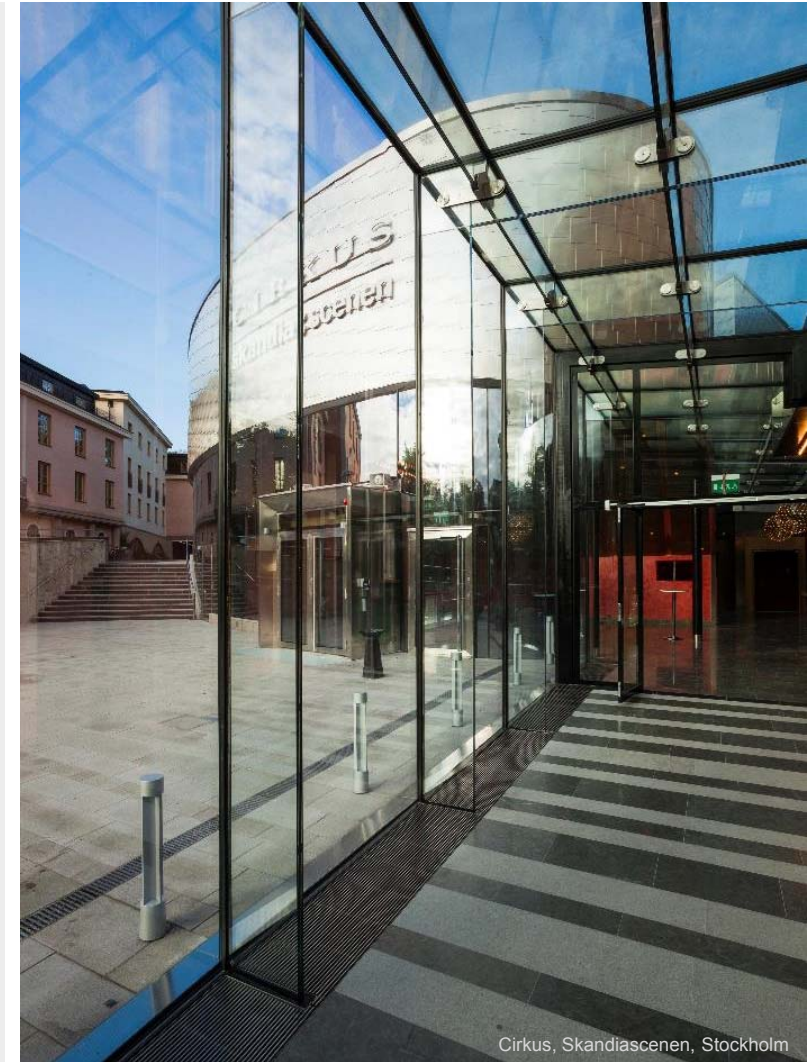
- Favorable trend in infrastructure

Denmark

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

Finland

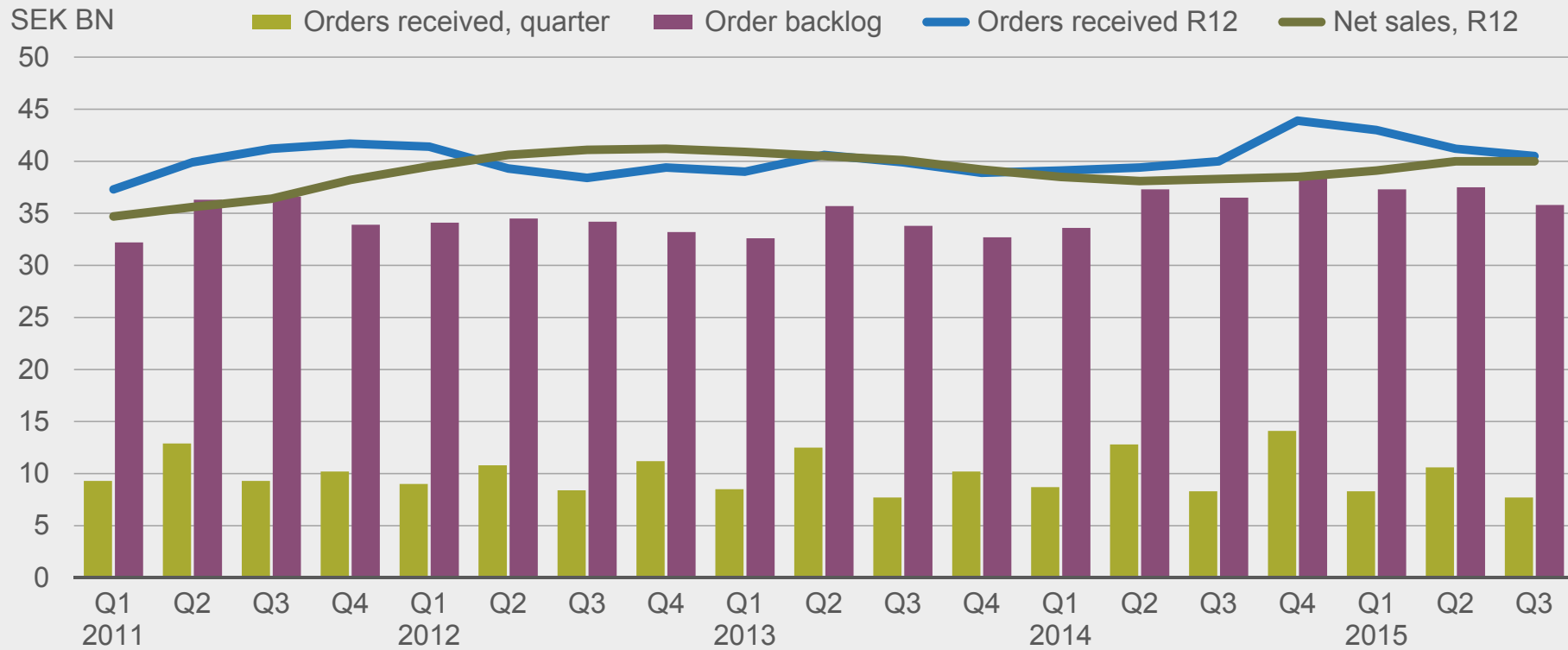
- Challenging market



Cirkus, Skandiascenen, Stockholm

Order backlog on a good level

NCC Construction

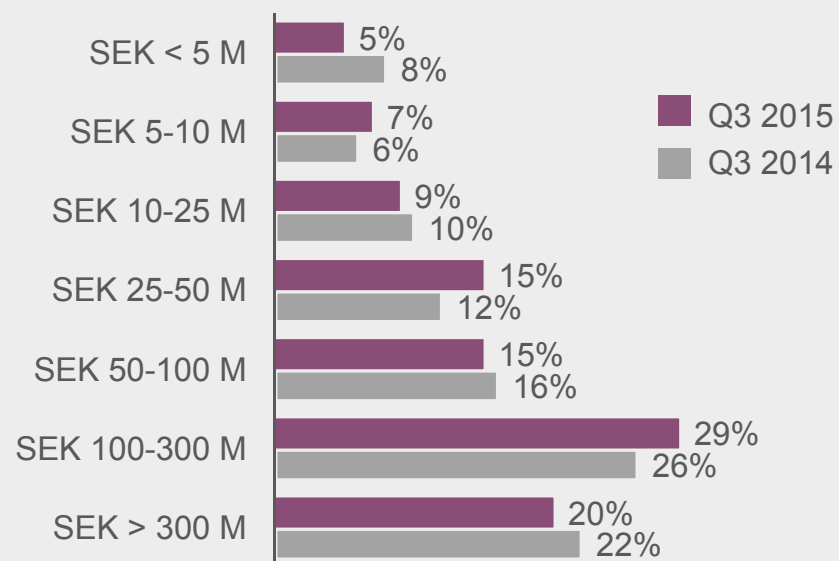


Increased share of medium sized projects

NCC Construction

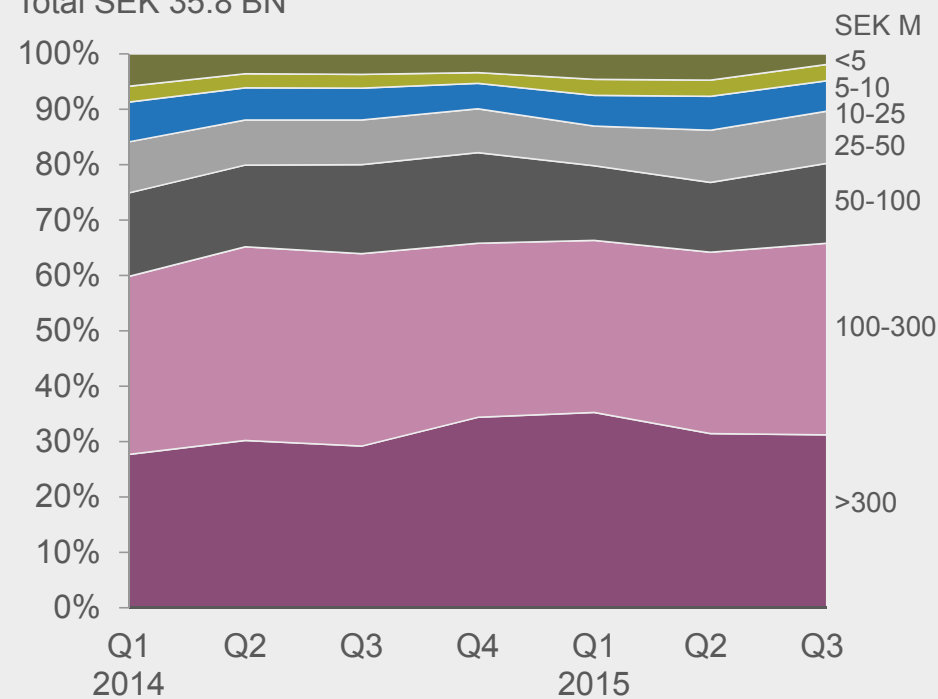
Project size, orders received

Total SEK 7.7 BN



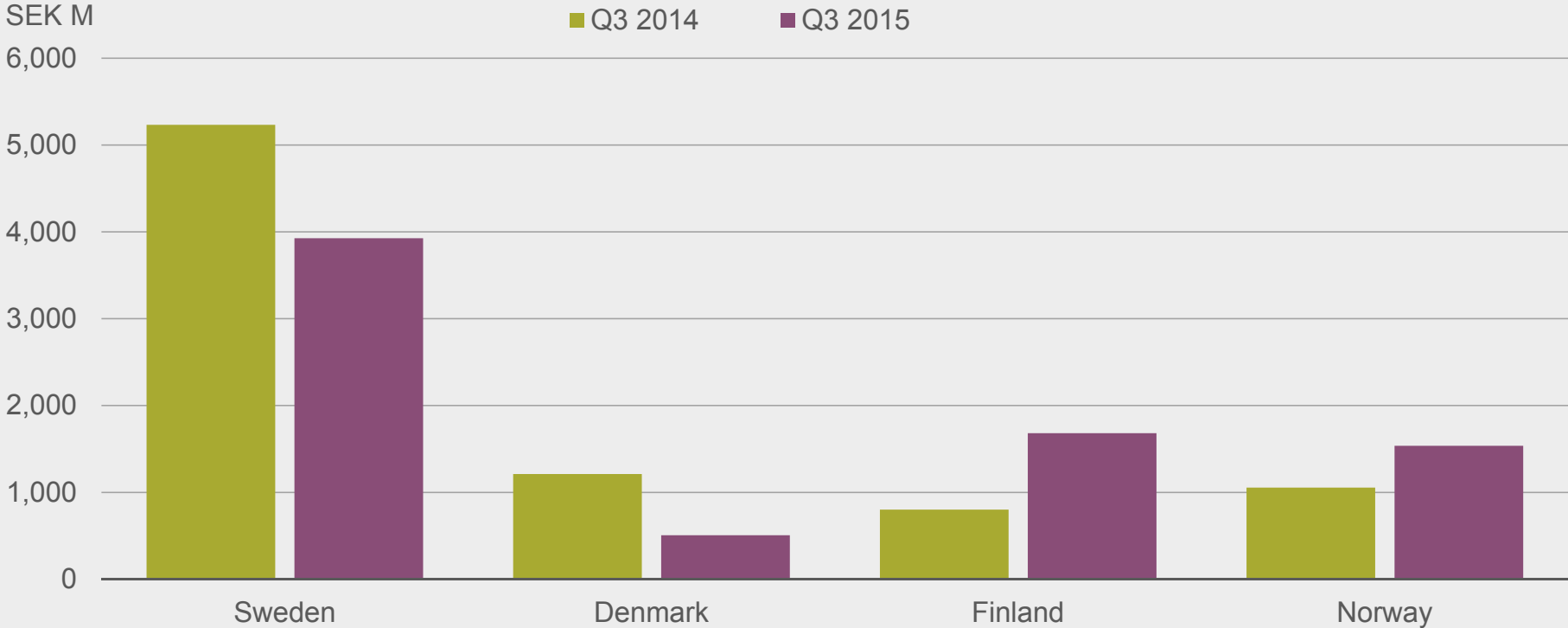
Project size, order backlog

Total SEK 35.8 BN



Geographical distribution

Orders received, NCC Construction



Strategic partnering agreement signed in Q3

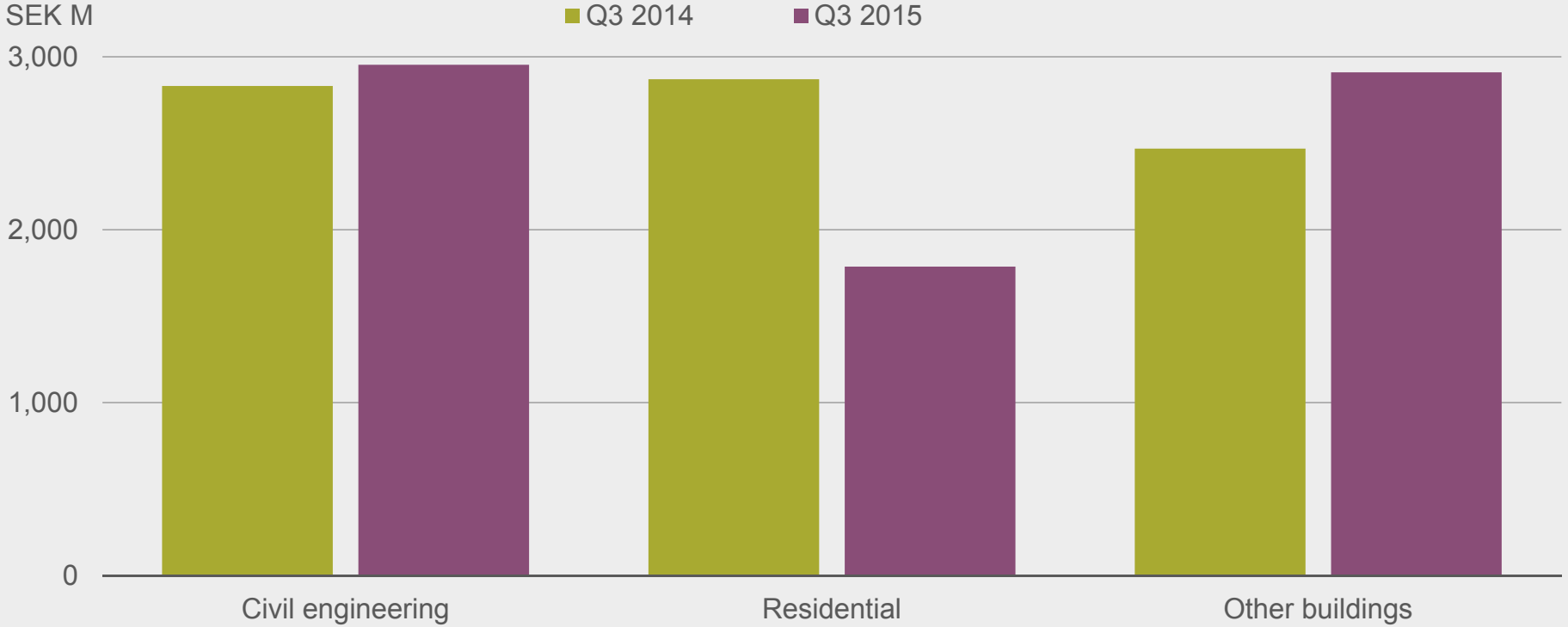
- 14 schools, preschools and sport halls, the Municipality of Nacka, ≈ SEK 2 billion during a 6 year period

To be registered project by project



Good order intake in other buildings

Orders received, NCC Construction



A selection of construction projects in Q3

Residential, Luleå Archipelago, Sweden
SEK 169 M



Bardufoss school building, Troms, Norway
SEK 270 M



Frame construction agreement for a laboratory building, Aarhus University, Denmark SEK 90 M



Construction and maintenance of schools, life cycle contract, Mäntsälä, Finland, SEK 280 M (SEK 620 M)



2015-11-06

NCC AB

Folkboende



Trends in stone material, asphalt and road service

The Nordic market

Stone material

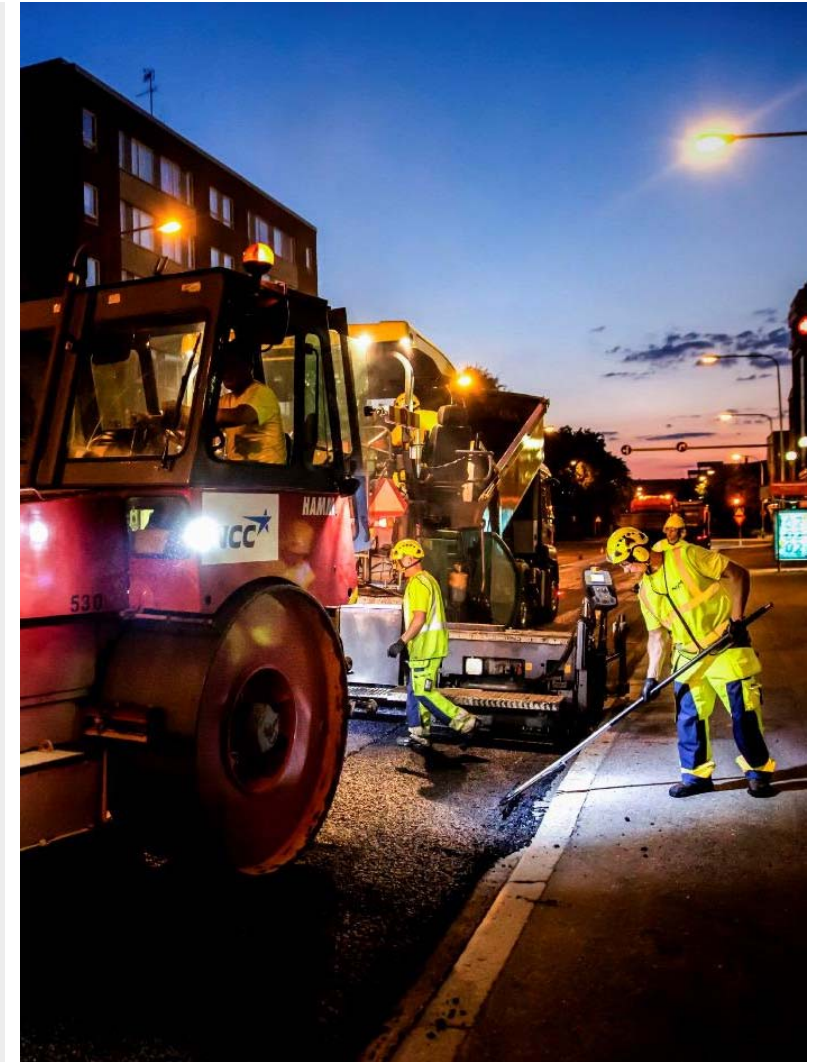
- Favorable demand

Asphalt

- Favorable demand

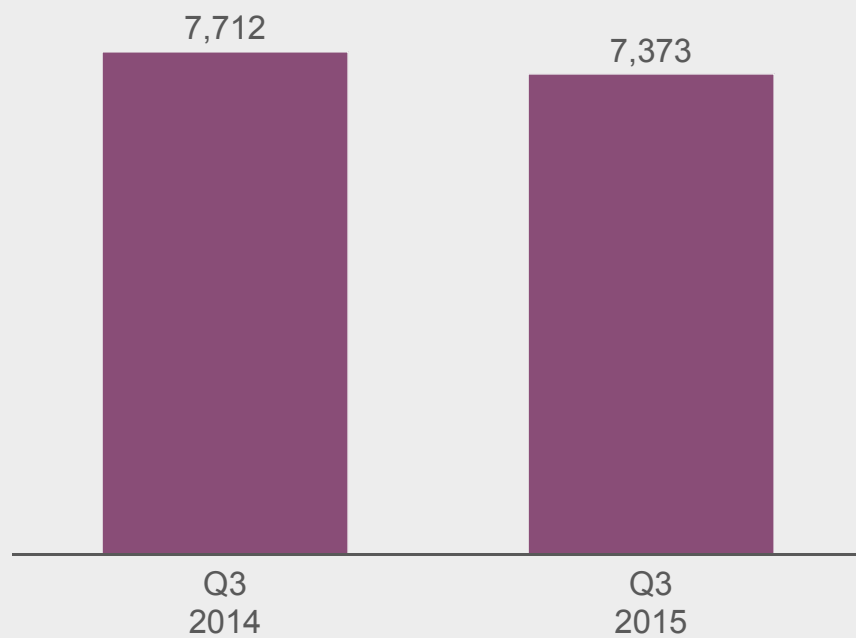
Road service

- Stable demand



Slightly lower volume of stone material

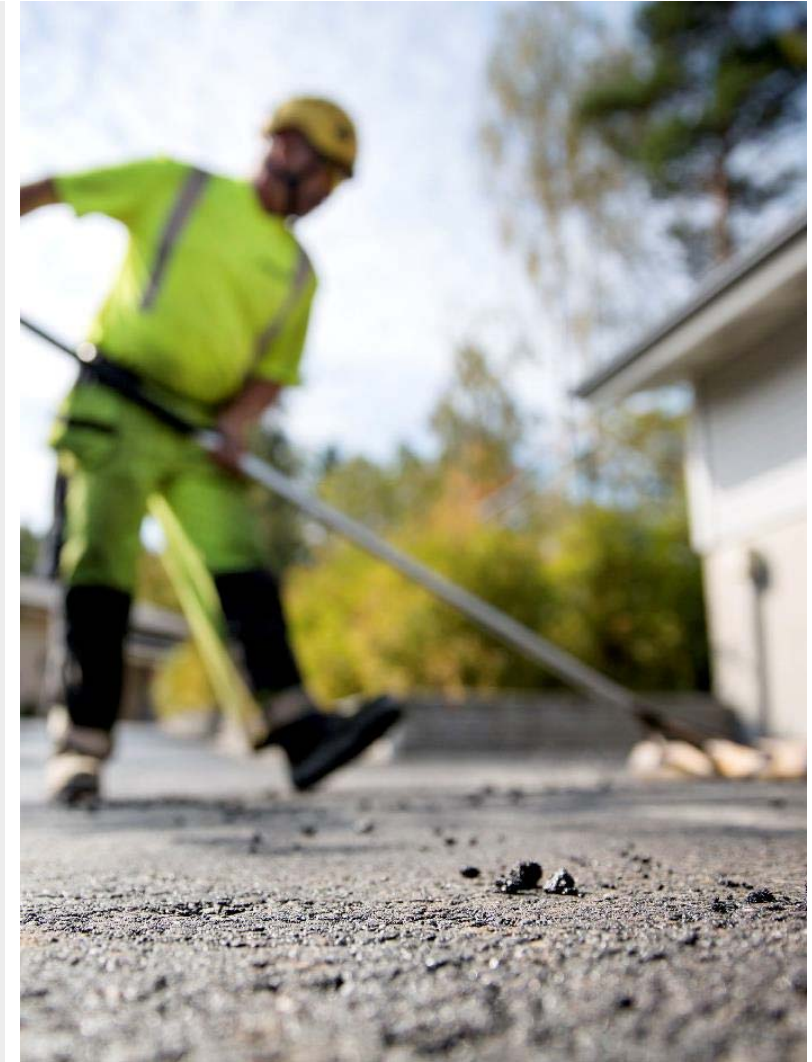
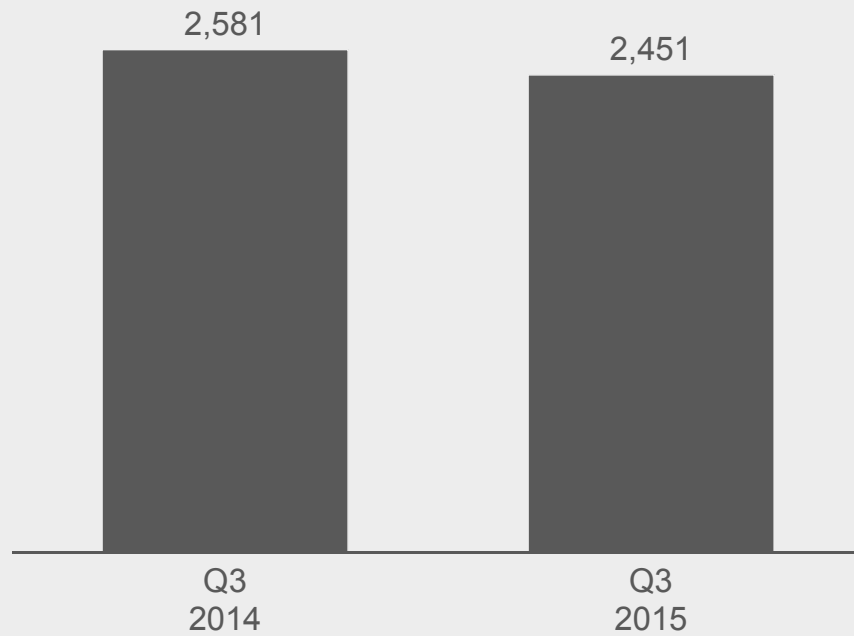
Volumes of stone material sold, thousands of tons



Arlanda Quarry, Stockholm

...and asphalt volumes

Volumes of asphalt sold, thousands of tons



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

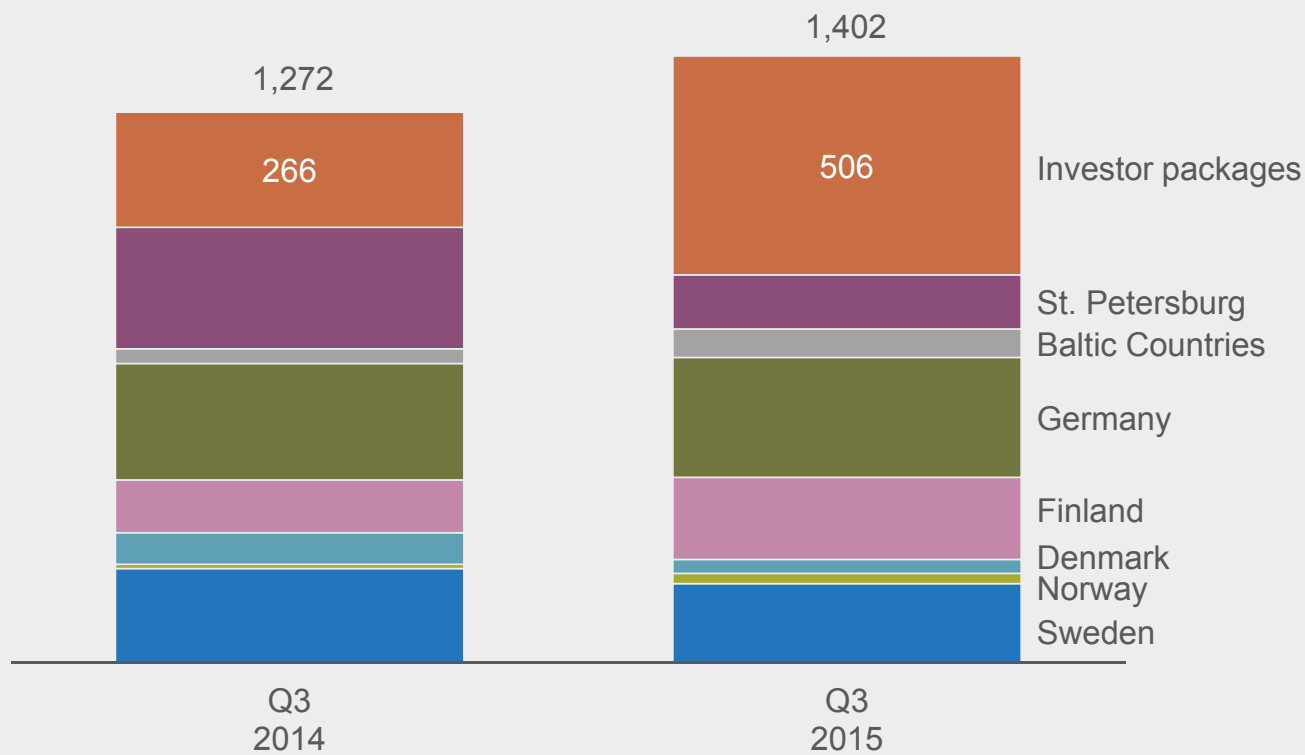
- Strong demand for investor packages in Germany, Sweden and Finland



Folkboende, Munkedal

Higher sales to investors

No. of housing units sold



KTH. Student housing, Stockholm

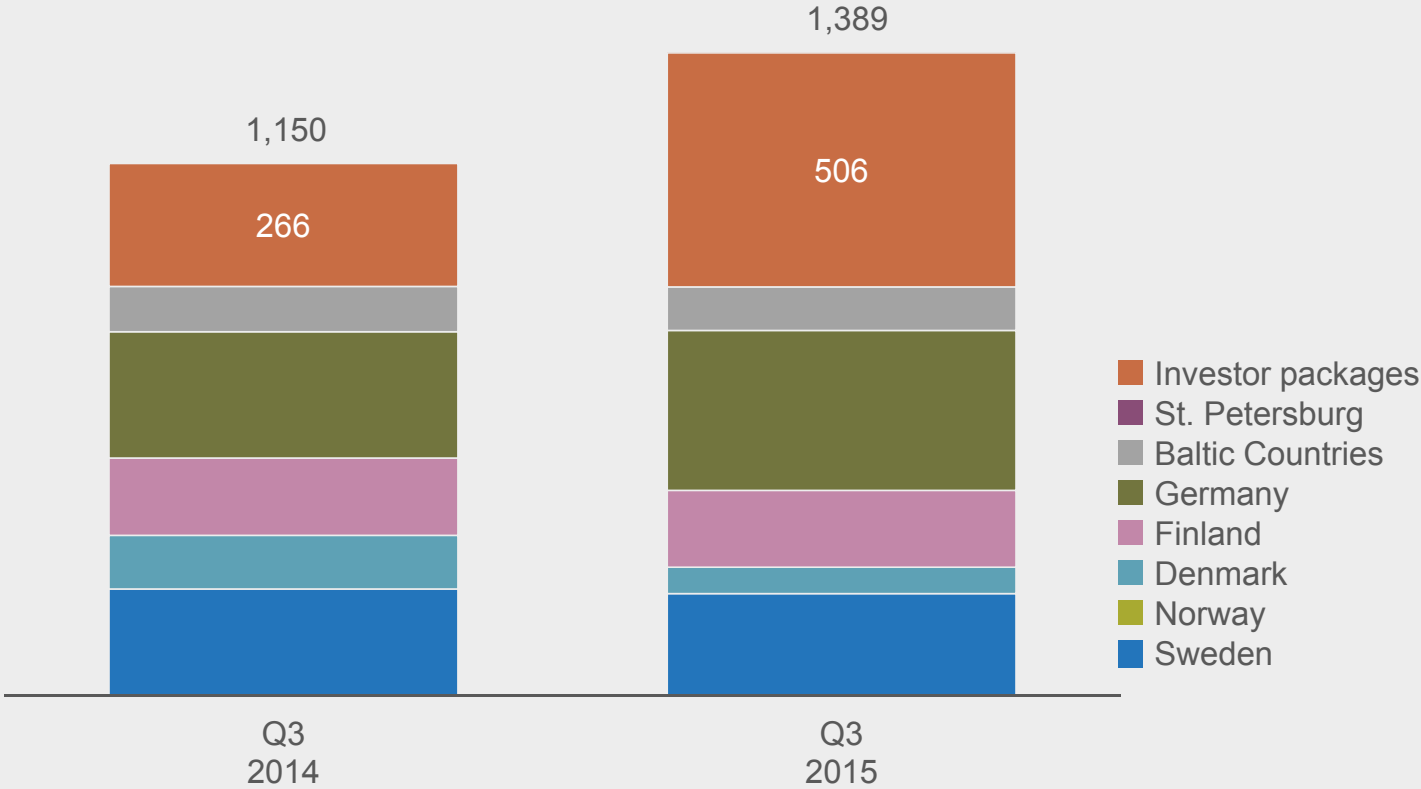
Over 9,000 units in production

	For private customers		For investors		Total	
	Sep. 30, 2015	Sep. 30, 2014	Sep. 30, 2015	Sep. 30, 2014	Sep. 30, 2015	Sep. 30, 2014
Number of housing units						
Ongoing production	6,920	6,425	2,151	1,525	9,071	7,950
Sales rate, %	71	58	94	100	76	66
Sales including bookings, %	77	67	94	100	81	73
Completion rate, %	56	53	72	63	60	55



Increased starts to investors

No. of housing starts



Folkboende, Munkedal

Some of the started housing projects in Q3

Omenatorni, Espoo, Finland
79 units



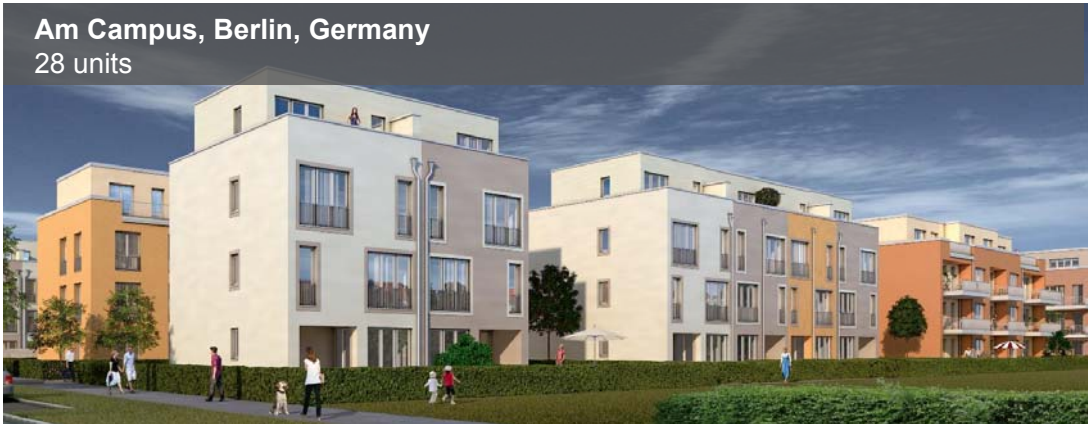
Stora Vasstrået, Täby, Sweden
63 units



Lindealléen, Copenhagen, Denmark
19 units



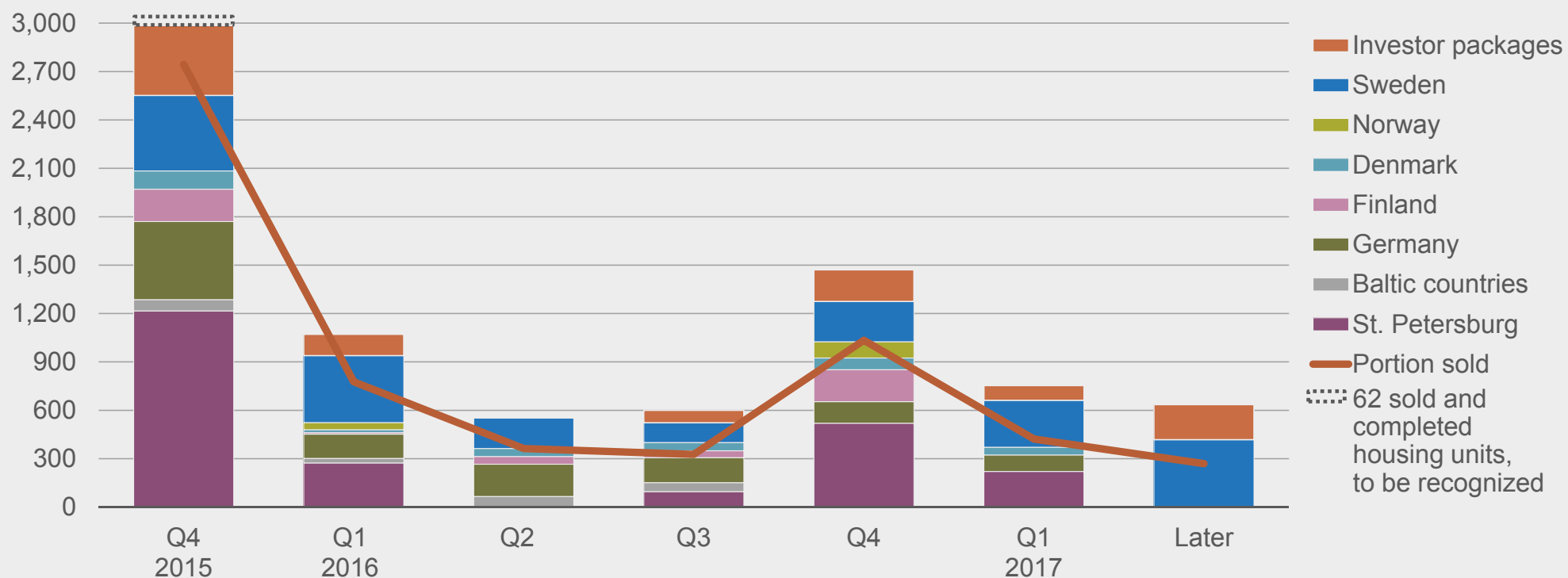
Am Campus, Berlin, Germany
28 units



Record number of units to be completed in Q4

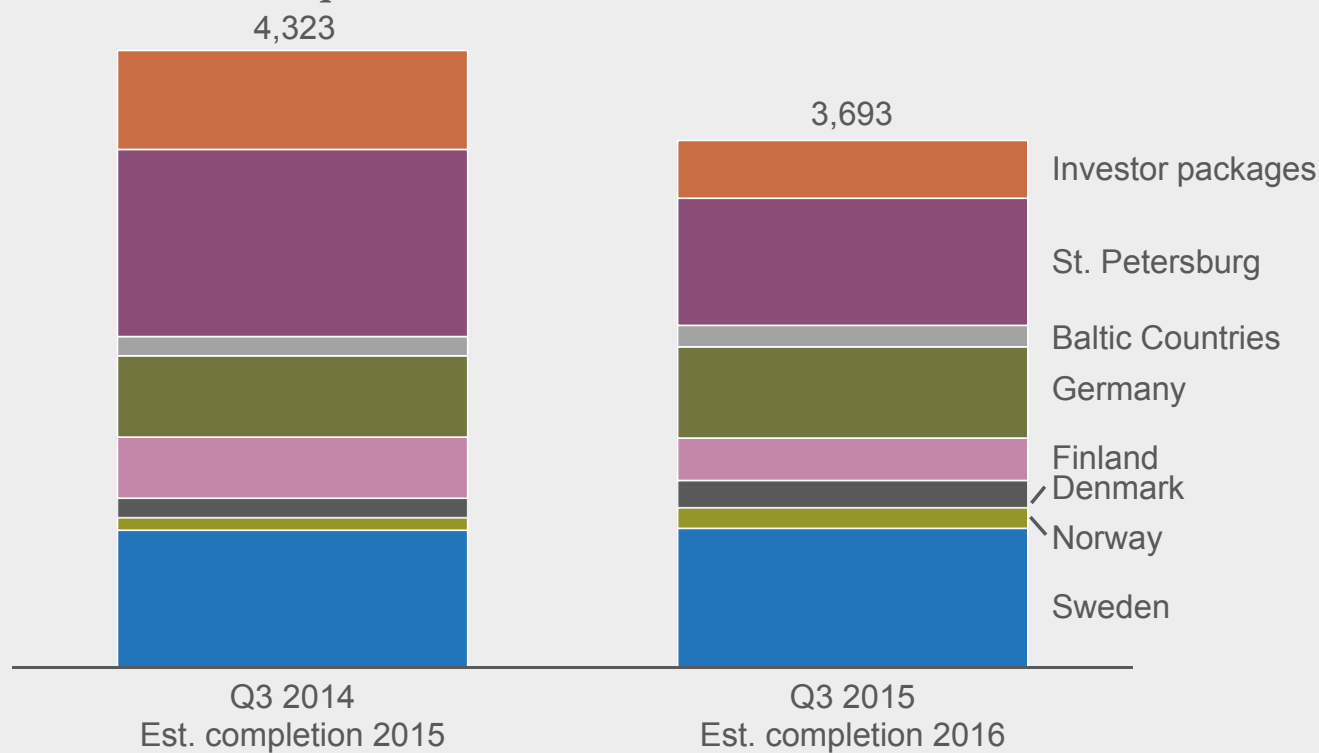
Estimated completion

No. of housing units



Better geographical distribution in units to complete 2016

Estimated completions

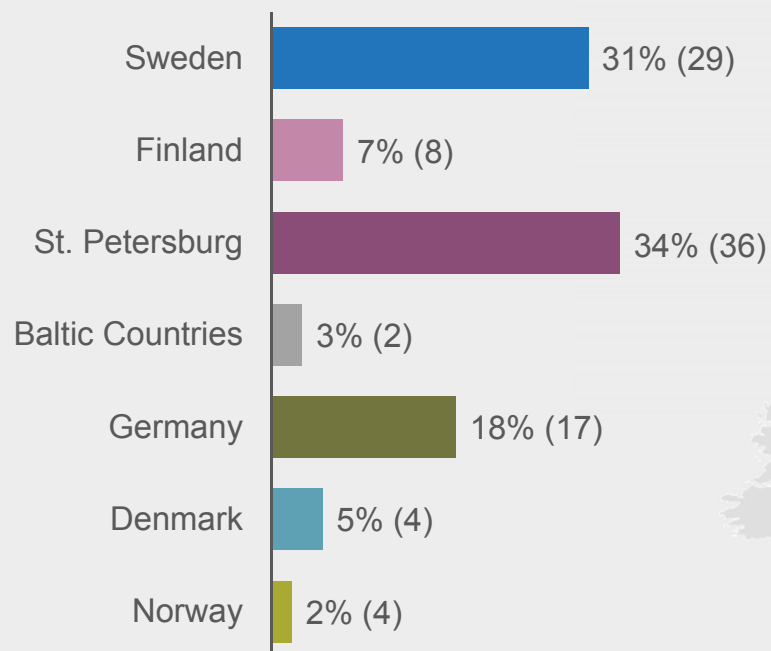


Berita, Finland

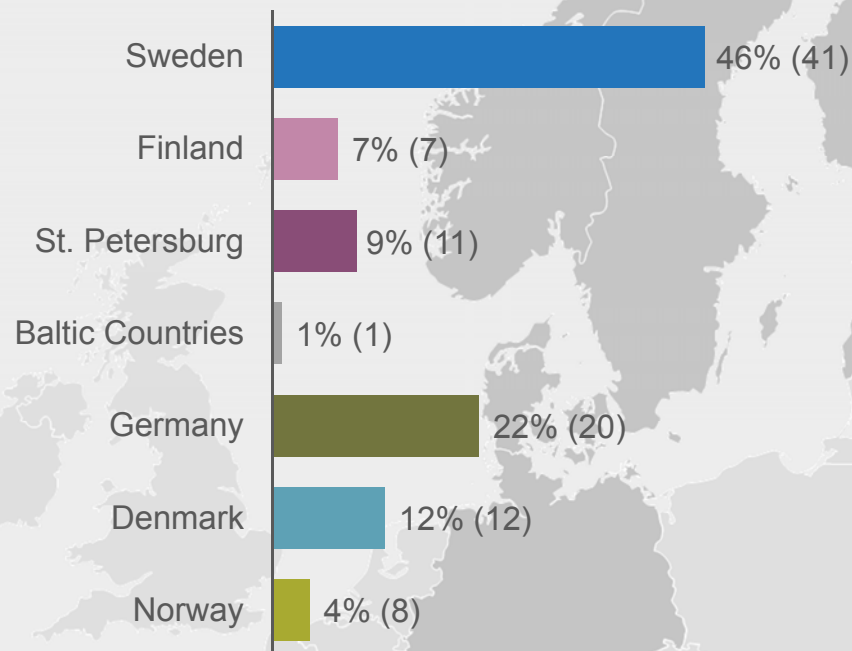
Housing portfolio

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

Number of housing units



Estimated value



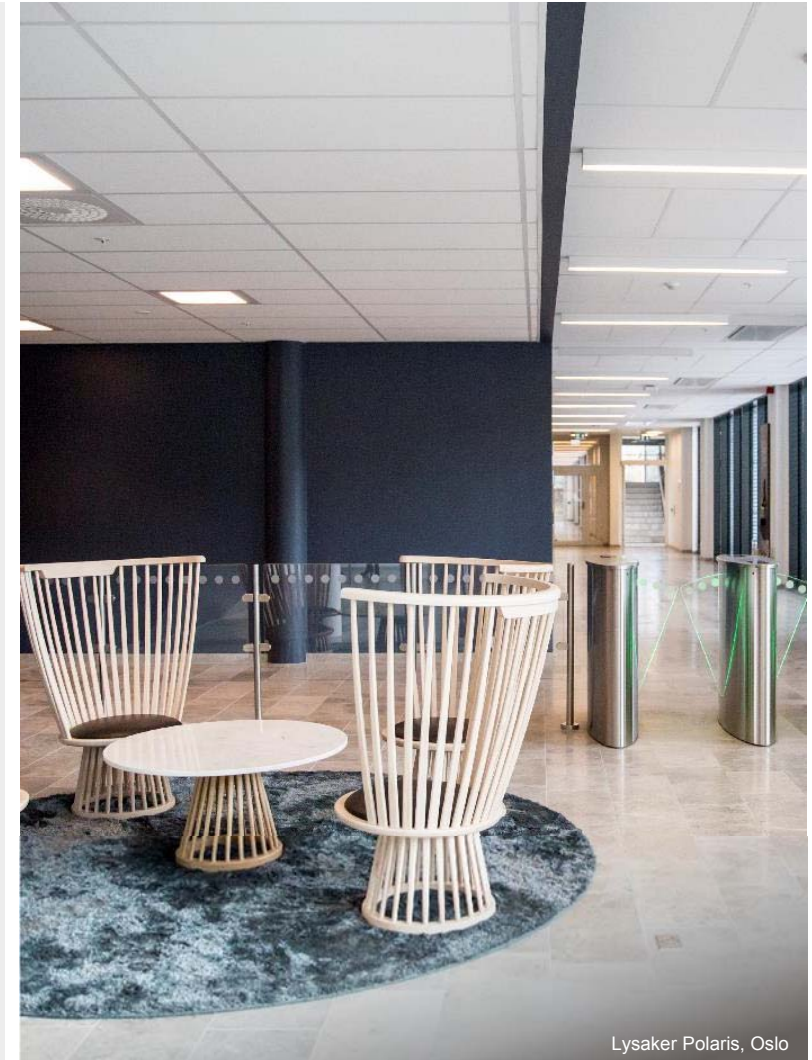
Trends in Nordic property market

Investor market

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

Rental market

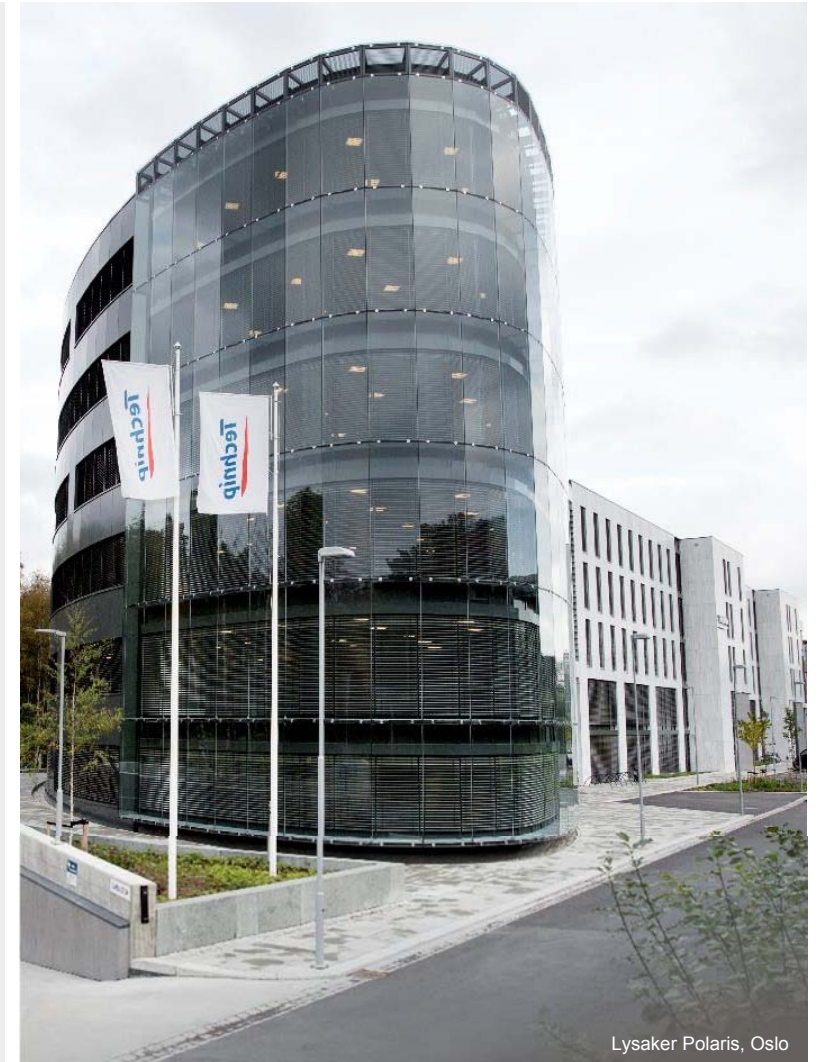
- Strong demand in Sweden
- Stable in Denmark
- Weakening in Norway
- Weak demand in Finland



Lysaker Polaris, Oslo

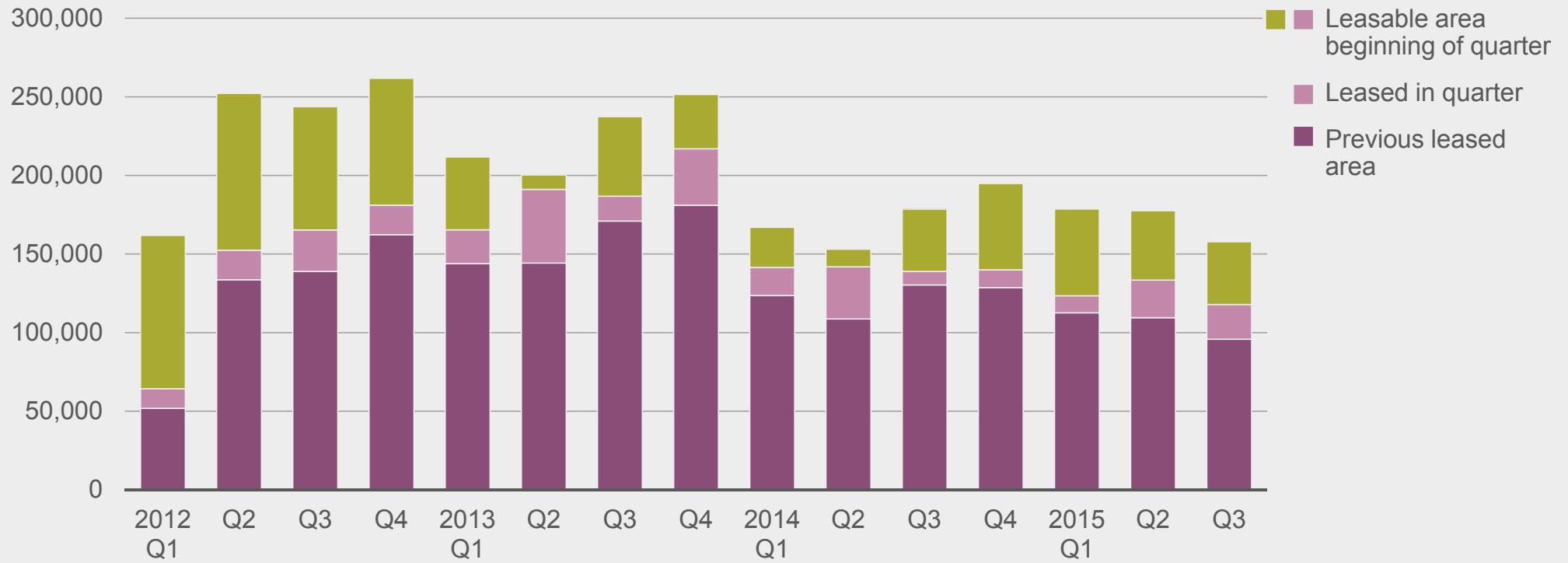
Office project Lysaker Polaris in Oslo profit recognized in Q3

- Sold to Storebrand Eiendom AS
- Underlying property value of SEK 820 M



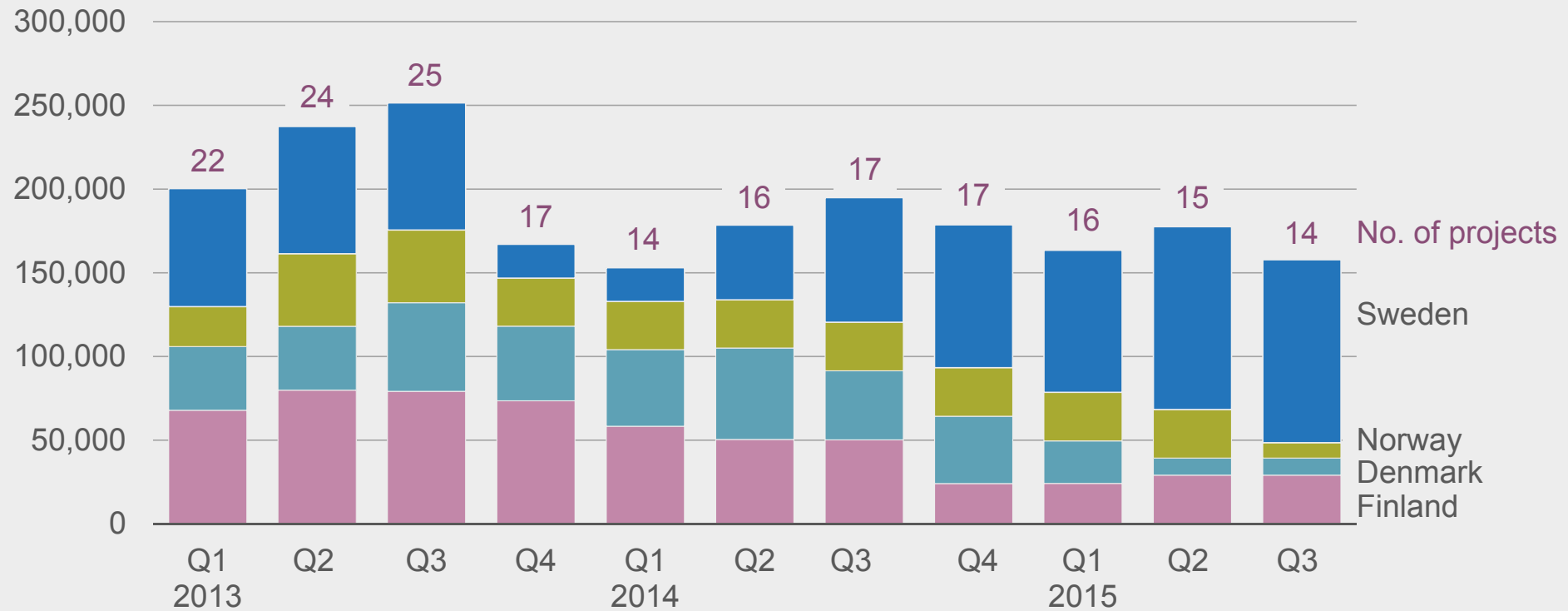
Good lease in the quarter – 22,100 sqm

Leased floor space, sqm



Property portfolio – starts in focus

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



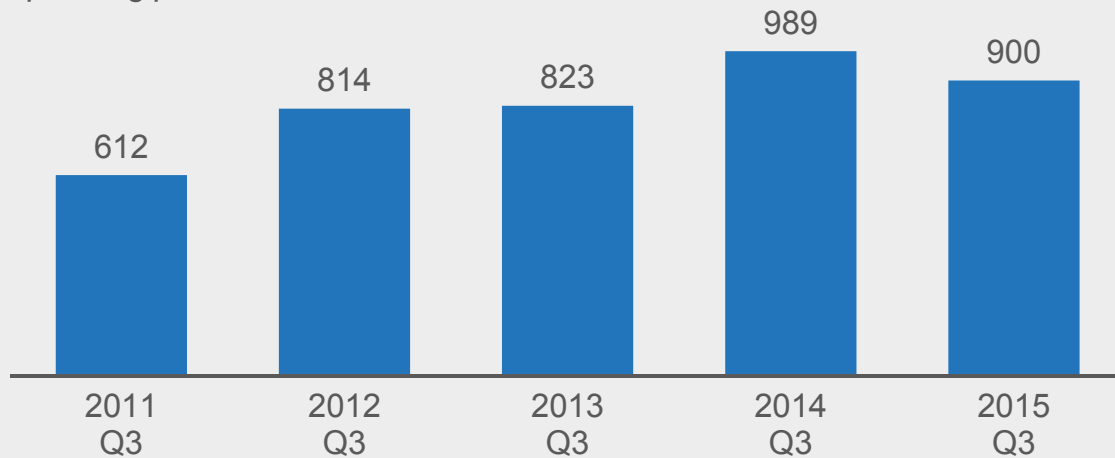


Ann-Sofie Danielsson
Chief Financial Officer

Q3 2015 in brief

- Norway drawing down the result
- Orders received on a good level
- Improved cash flow

Operating profit, SEK M



Västergård Arena, Södertälje.

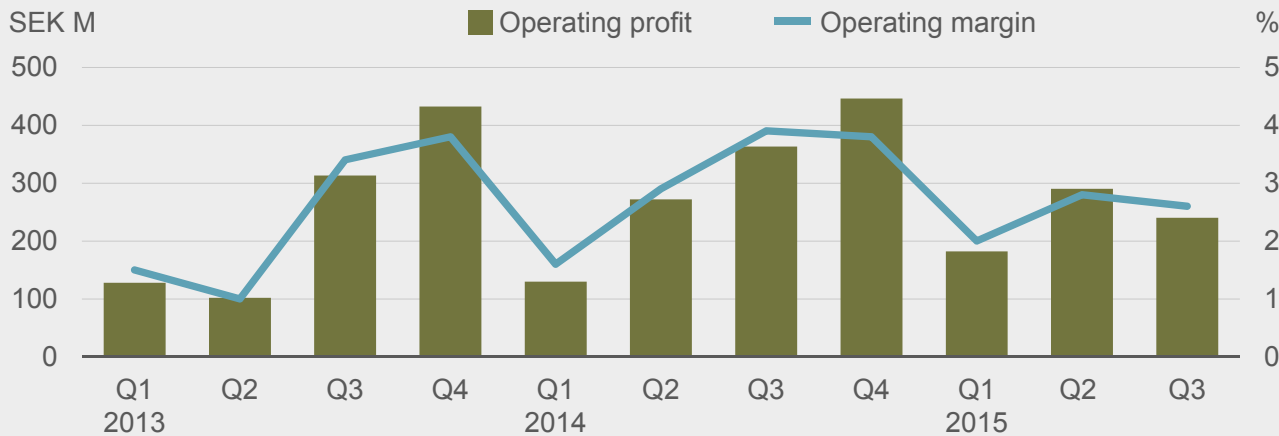
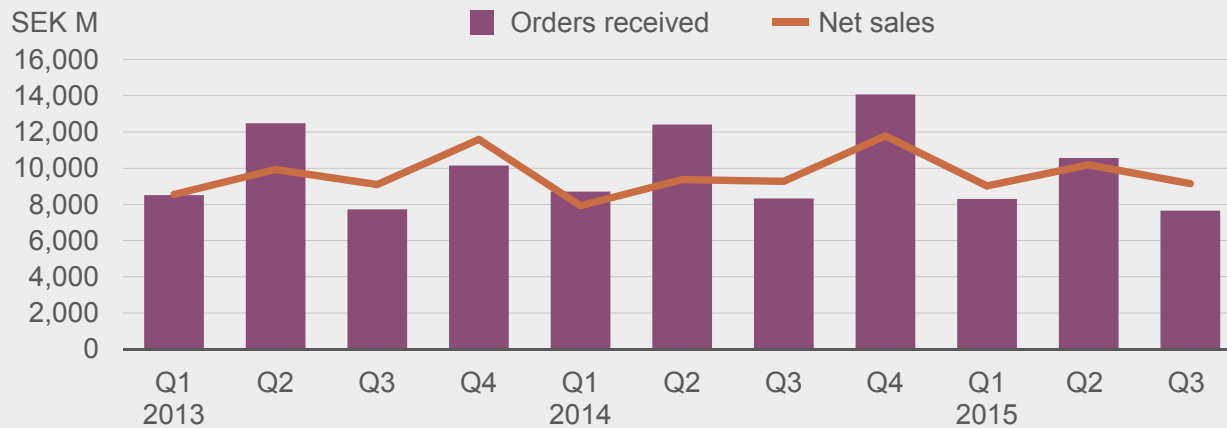
Income statement

SEK M	Jul.-Sep. 2015	Jul.-Sep. 2014	Oct. 14- Sep. 15	Jan.-Dec. 2014
Net sales	14,724	14,796	58,844	56,867
Gross profit	1,588	1,637	5,727	5,691
Selling and administrative expenses	-700	-653	-3,276	-3,117
<i>Cost ratio</i>	4.8%	4.4%	5.6%	5.5%
Other	13	4	39	31
Operating profit	900	989	2,490	2,604
Financial items	-93	-108	-378	-370
Profit after financial items	808	881	2,111	2,234
Tax	-161	-184	-355	-396
<i>Tax rate</i>	19.9%	20.9%	16.8%	17.7%
Profit for the period	647	696	1,756	1,838

Operating profit/loss per business area

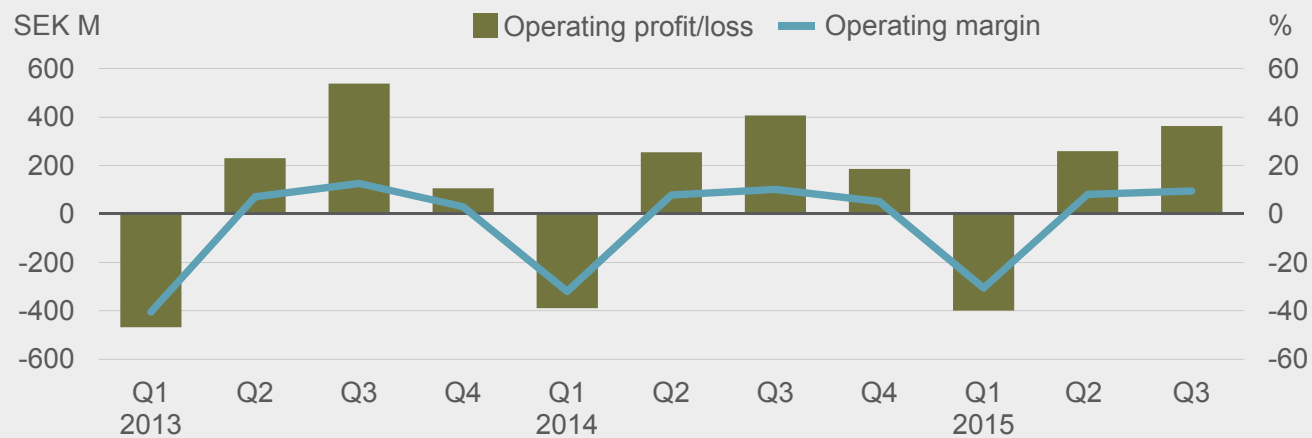
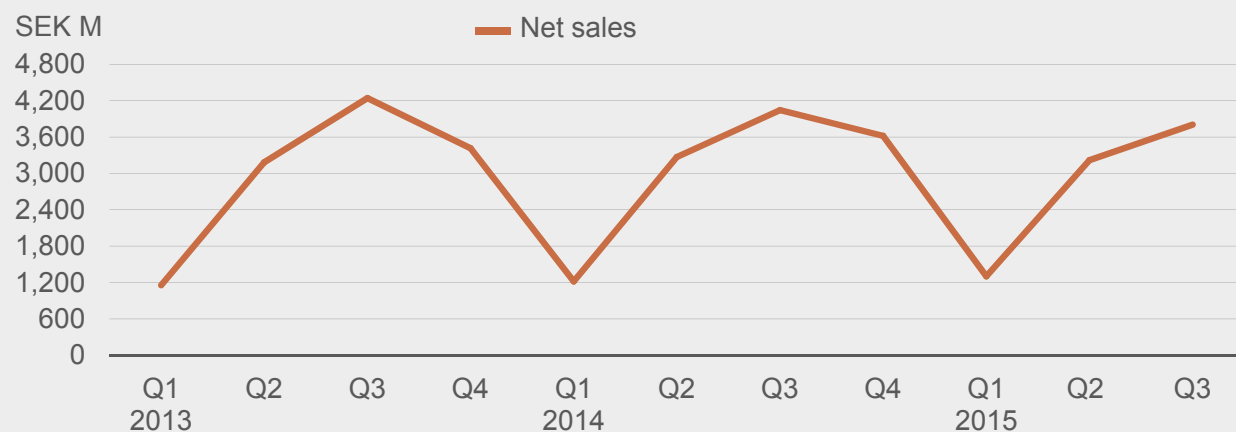
SEK M	Jul.-Sep. 2015	Jul-Sep. 2014	Oct. 14- Sep. 15	Jan.-Dec. 2014
NCC Construction Sweden	214	182	727	640
NCC Construction Denmark	76	67	315	281
NCC Construction Finland	55	27	124	111
NCC Construction Norway	-105	75	-21	146
NCC Roads	363	407	409	459
NCC Housing	183	243	864	949
NCC Property Development	141	36	265	169
Other and eliminations	-27	-49	-193	-151
Operating profit	900	989	2,490	2,604

NCC Construction

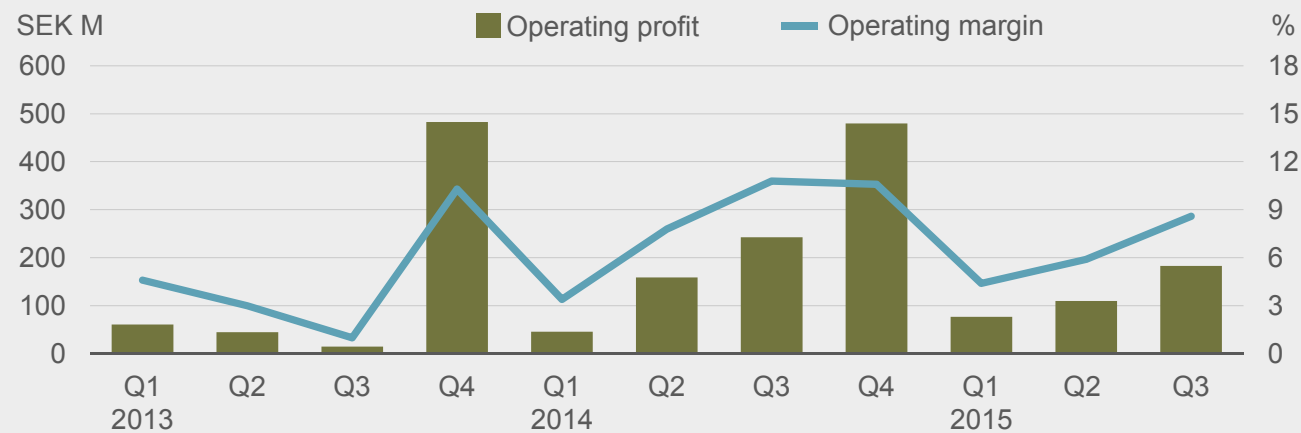
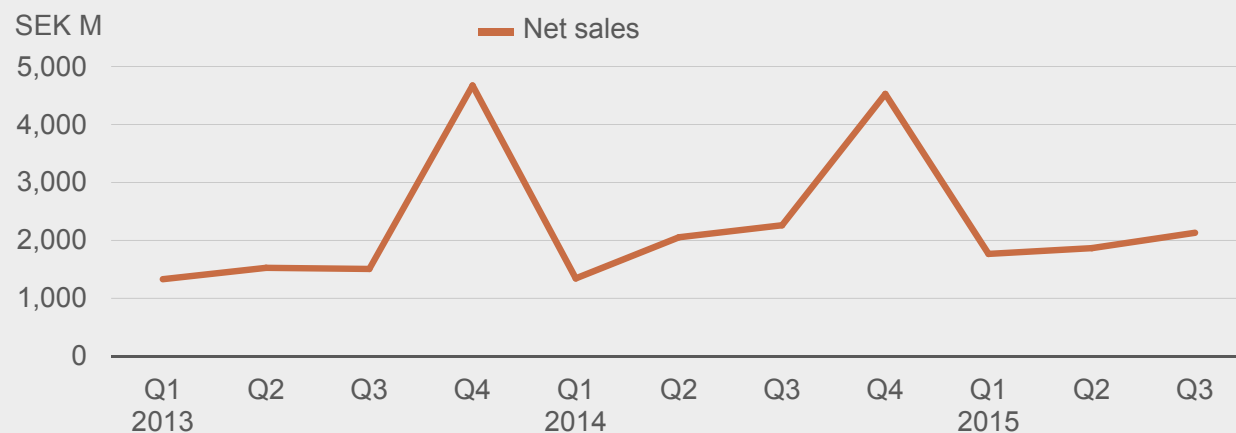


- Good result in Sweden, Denmark and Finland
- Write downs in Norway
- Net sales SEK 9,150 M (9,115)
- Lower operating profit SEK 240 M (351)
- Operating margin 2.6% (3.8%)

NCC Roads



NCC Housing



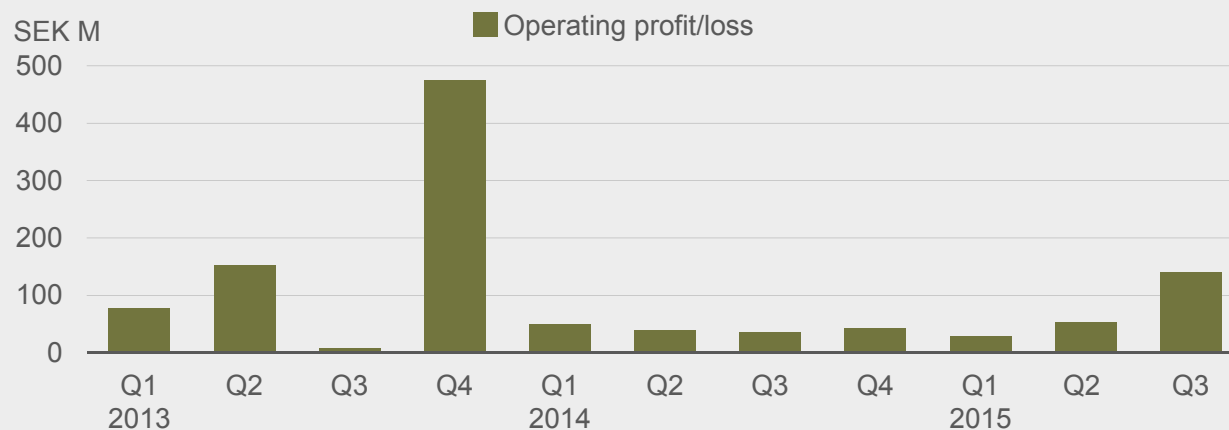
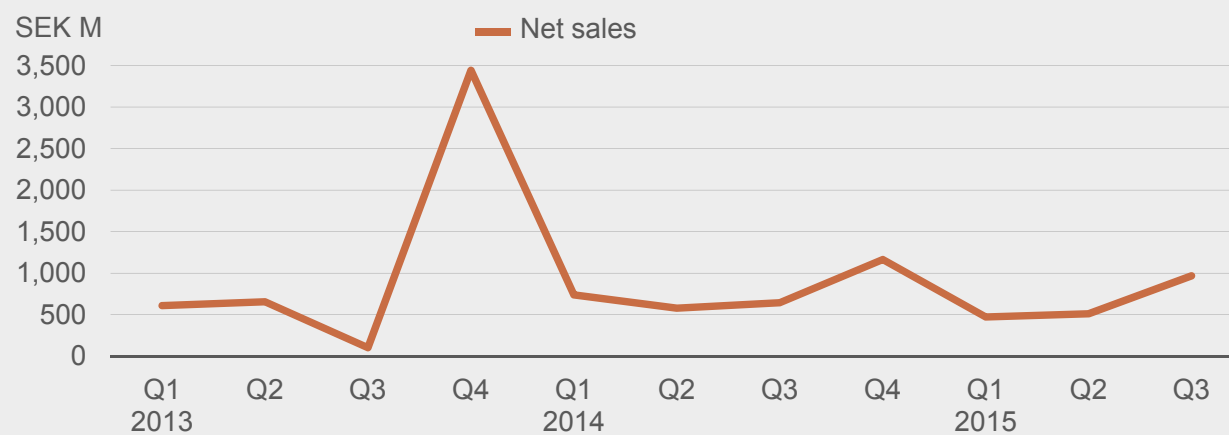
Profit recognized units on the same level

Number of housing units	Jul.-Sep. 2015	Jul.-Sep. 2014
Sweden	175	135
Denmark	7	41
Finland	175	114
Baltic countries	21	5
St. Petersburg	36	46
Norway	15	30
Germany	160	176
Total, private customers	589	547
Investor packages	453	507
Total	1,042	1,054



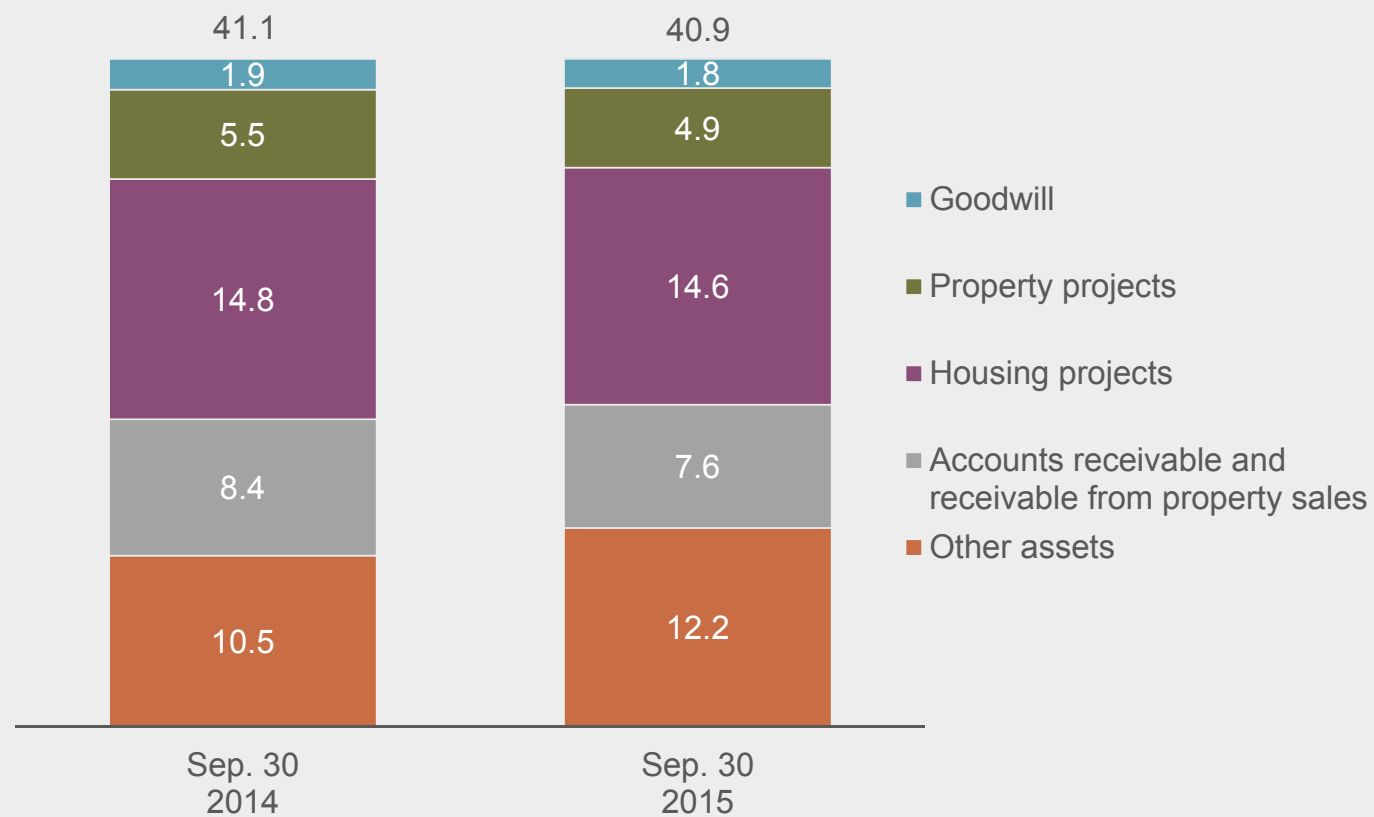
Design Quattro, Ytterby

NCC Property Development



Balance sheet

SEK BN



Hammarbydepån, Stockholm

Cash flow

SEK M	Jul.-Sep. 2015	Jul.-Sep. 2014	Oct.14- Sep.15	Jan.-Dec. 2014
From operating activities	890	963	2,660	2,273
From property projects	535	-335	670	145
From housing projects	-685	-498	-652	-761
Other working capital	417	-578	430	-313
Investing activities	-154	-180	-755	-771
Cash flow before financing	1,004	-627	2,353	574



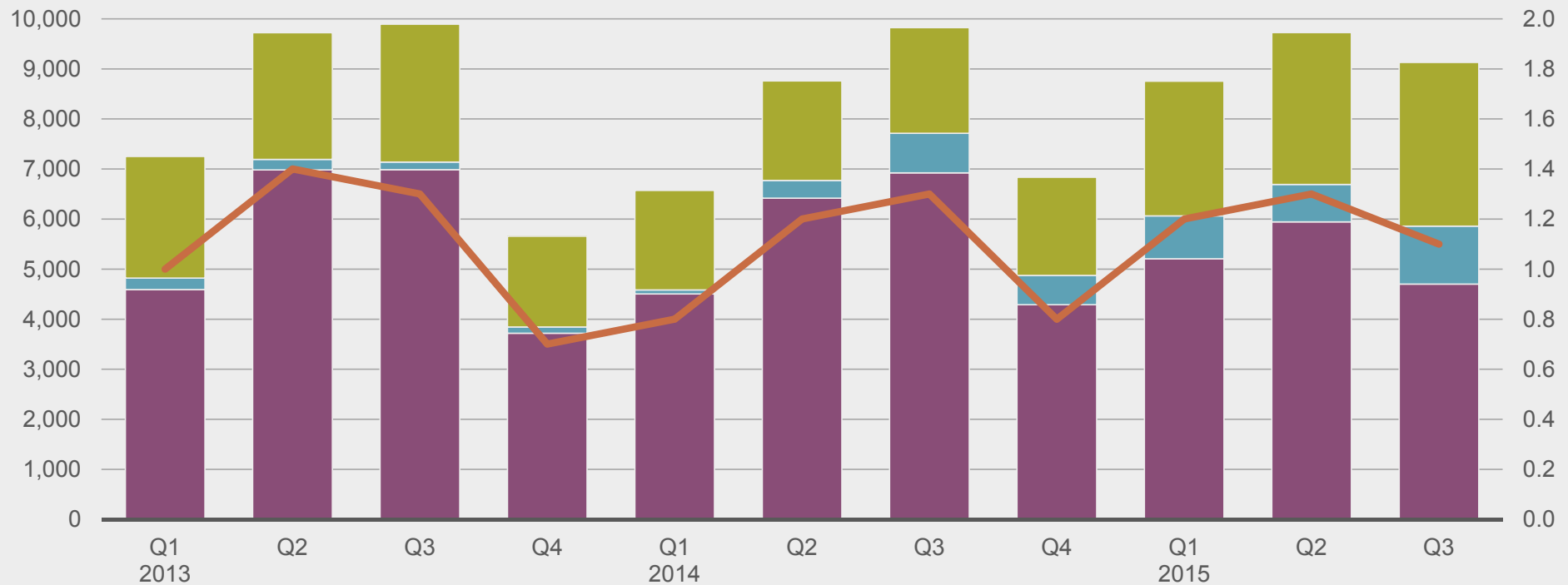
Net indebtedness

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

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

Pension liability, IAS 19, SEK M ■

Debt/equity ratio, times —





Strängnäs-Härjed railway

Summary Q3 2015

- Favorable construction result in Sweden, Denmark and Finland
- Negative result in Construction Norway
- Orders received on a good level
- Order backlog on high level
- Strong Cash flow
- Good foundation for a strong Q4



Rotebro bridge, Stockholm



Contact information

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