

**Q1
2021**



NCC

A good start to the year

“The first quarter of the year is our low season, but all of the business areas maintained their improvements from 2020 and deliver on a stable level,” says Tomas Carlsson, President and CEO of NCC.

- Lower sales, but stable earnings in the contracting business and in the Industry business area. The Property Development business area recognized a project in Norway in profit, but the earnings for the quarter were impacted by provisions for rental guarantees and VAT.
- A stronger order backlog, orders received at a normal level for the quarter and continued healthy demand in all countries
- Strong cash flow for the quarter
- On March 30, the Annual General Meeting resolved on a dividend in accordance with the Board of Directors’ proposal of SEK 5.00 per share (SEK 2.50) for 2020, to be paid on two occasions, see page 13.

First quarter 2021

- Orders received amounted to SEK 14,255 M (15,458)
- Net sales totaled SEK 10,140 M (11,766)
- The operating result amounted to SEK -144 M (-69)
- The result after financial items amounted to SEK -152 M (-90)
- The result after tax totaled SEK -124 M (-84)
- Earnings per share after dilution were SEK -1.15 (-0.78)

| Group, SEK M | Q1 | | R 12 Apr-Mar | Jan-Dec |
|---|--------|--------|--------------|---------|
| | 2021 | 2020 | 2020/2021 | 2020 |
| Orders received | 14,255 | 15,458 | 49,996 | 51,199 |
| Order backlog | 56,096 | 62,333 | 56,096 | 50,945 |
| Net sales | 10,140 | 11,766 | 52,296 | 53,922 |
| Operating profit/loss | -144 | -69 | 1,285 | 1,360 |
| Operating margin, % | -1.4 | -0.6 | 2.5 | 2.5 |
| Profit/loss after financial items | -152 | -90 | 1,218 | 1,281 |
| Net profit/loss for the period | -124 | -84 | 1,219 | 1,259 |
| Profit/loss per share after dilution, SEK | -1.15 | -0.78 | 11.32 | 11.68 |
| Cashflow from operating activities | 742 | 1,003 | 1,308 | 1,569 |
| Cashflow before financing | 586 | 1,018 | 674 | 1,106 |
| Net cash +/-net debt - | -4,120 | -4,474 | -4,120 | -4,823 |

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

CEO Tomas Carlsson comments

The first quarter of the year is low season for NCC. The weather-dependent asphalt operations are essentially at a standstill and there is always slightly lower activity throughout the contracting business due to the cold weather. Considering these factors, we had a good start to the year nonetheless and we have a strong order backlog to work with. The earnings improvements seen in the preceding year have been maintained or strengthened.

All countries were subject to comprehensive and varied restrictions to reduce the spread of infection. It has been challenging at times to manage this, but the operations have still functioned well. The projects have progressed, and we have not encountered serious shortages of materials or personnel. Even if the purely practical consequences of the pandemic on the business are limited, NCC is carrying a heavier load than usual given that the work needs to be managed in a different way. We are all hoping for the easing of restrictions in the spring and the beginning of a new normal status.

Our view is that demand is favorable. Major public investments in new infrastructure and maintenance contributes. In addition the economies in the Nordic countries are strong which is driving our business. Orders received were at a normal level and we also have ongoing early involvement projects, which will be registered in orders in a later project phase.

The Infrastructure business area reported healthy orders received for the quarter. We see a healthy market in Sweden while there are lower volumes in Norway due to lower tendering outcomes. A good example on how we use our knowledge over the borders is that tunnel experts from our Norwegian operations will work on the Hagastaden subway project in Stockholm, which NCC recently won.

The Building Sweden business area continues its positive development, with healthy orders received and a strong order backlog. Orders received for residential units remain at a stable level, with about half of these being rental units.

The construction operations in the other Nordic countries, within the Building Nordics business area, are performing well. There is a strong order backlog and we also foresee a positive trend in our Norwegian business, which has secured several projects that are still at an early stage.

The Industry business area reported a quarter in which the asphalt operations stood still, and the stone materials operations were also affected by seasonal factors. The reorganization presented during the fourth quarter was completed with the desired effects.

Within Property Development, we started work on one project during the quarter. It is a small project in which we have acquired a property in central Helsinki, in a prime location,



that we will develop into modern office premises. We recognized one project in Norway in profit, but the earnings for the quarter were impacted by provisions made for rental guarantees. There is interest in modern premises in prime locations, which is demonstrated by the letting rates in all countries.

Within climate and energy, we have reduced our own emissions by 42 percent since 2015 by employing effective action, particularly in our asphalt operations. We are proud of this achievement, but much work remains as we have now set higher goals and have begun to work on the most important and most difficult categories that drive emissions in our operations.

A high level of ambition and strong implementation capacity in many areas is required to deliver positive results for customers, shareholders, and other stakeholders. We are a knowledge-based company and we want our customers to perceive us as proactive and as having a high level of expertise to manage the complexity that construction project involve.

For the rest of the year, I am looking forward to being able to work on developing the company and the business in the partly new situation that will follow on from the coronavirus. We are constantly taking steps in the right direction and implementing well-conceived changes internally to be able to deliver more value to our shareholders, customers, employees, and other stakeholders.

Tomas Carlsson, President and CEO
Solna, April 28, 2021

Group performance

First quarter, January-March 2021

Market

The long-term market conditions for contracting operations and industrial operations in the Nordic region are positive. There is an underlying stable demand for public buildings, such as schools, hospitals, and retirement homes, and for residential units, driven by growth and development in the metropolitan regions and other growth centers. This is also driving initiatives for infrastructure in city outskirts, including roads, public transport, water and wastewater, and energy solutions. In general, the market for renovation and refurbishment is also healthy.

At a national level, Norway, Sweden, and Denmark have ambitious and comprehensive infrastructure plans for long-term public investments in new construction, as well as refurbishment and maintenance of national and regional infrastructure. Demand for asphalt and stone materials in Norway and Sweden is fueled by a healthy market for infrastructure and maintenance.

In the main, NCC is impacted by the general economic situation and the GDP trend. Prior to the coronavirus pandemic, there were some signs of a slight slowdown in certain submarkets, but this was offset by large public investments and it is not possible to draw any clear conclusions about long-term effects on the Nordic and global economies.

Net sales and earnings

Net sales in the first quarter amounted to SEK 10,140 M (11,766). Net sales were lower in all the business areas during the quarter, compared with the preceding year. Changes in exchange rates had a negative impact of SEK 193 M (35) on sales.

The operating result was lower in the first quarter and amounted to SEK -144 M (-69). The lower operating result was mainly attributable to Property Development recognizing the K12 office project in Sweden in profit during the first quarter of 2020. Industry's operating result improved due to a higher operating result in the asphalt and stone materials operations.

Net financial items for the January-March period were SEK -9 M (-21). The reduced financing requirement had a positive impact.

Effective tax

The effective tax rate for the Group amounted to 18.8 percent (7.0). Tax-free sales of projects in Property Development had a positive impact on the effective tax rate.

The foremost reason for the very low tax rate in 2020 was the tax-free sale of K12.

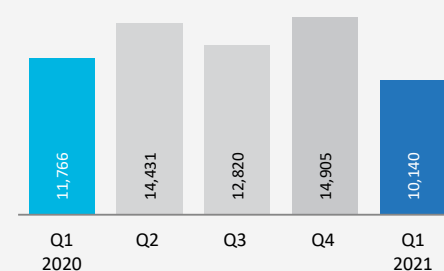
Orders received,
Jan-Mar SEK M

14,255

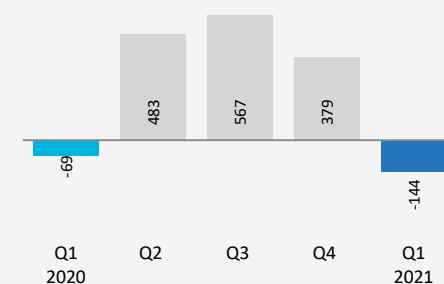
Net sales,
Jan-Mar SEK M

10,140

Net sales, SEK M



Operating profit, SEK M



Cash flow

Cash flow before financing for the January–March period amounted to SEK 586 M (1,018). The change was mainly attributable to changes in working capital in the Infrastructure business area as a result of working-up of earlier advance payments. The Property Development business area displayed improved cash flow before financing, primarily due to changes in working capital.

Total cash and cash equivalents at the end of the period amounted to SEK 2,745 M (3,192).

The Group's net debt at March 31 amounted to SEK -4,120 M (-4,474). The decrease was primarily due to a lower pension debt. Excluding lease liability and pension debt, the company's net cash¹ at the end of the period was SEK 514 M (874).

The Group's total assets at March 31 amounted to SEK 28,908 M (29,268). The decrease in total assets of approximately SEK 400 M was largely attributable to a reduction in the item invoiced revenues not worked up.

The average maturity period for interest-bearing liabilities, excluding pension debt and lease liabilities, was 31 months (36) at the end of the quarter. At March 31, 2021, NCC's unutilized committed lines of credit totaled SEK 2.9 billion (3.9), with an average remaining maturity of 19 (19) months.

Capital employed

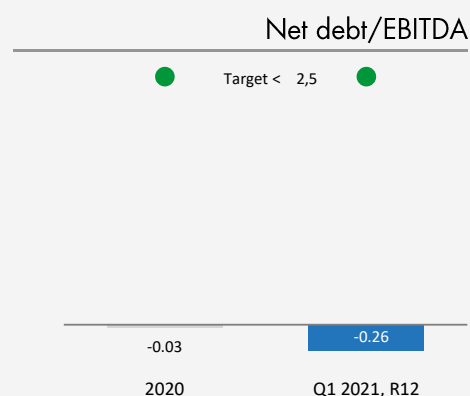
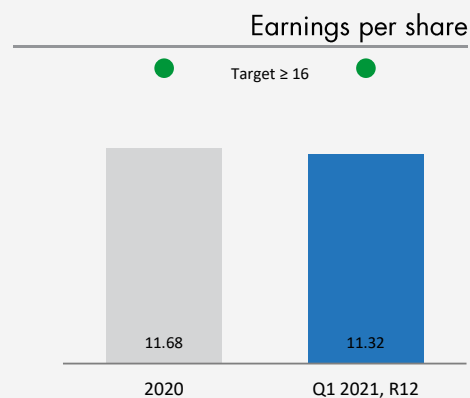
At March 31, 2021, capital employed amounted to SEK 11,295 M (10,715). The increase was mainly due to a larger project portfolio in Property Development. The return on capital employed was 12 percent (15) during the quarter.

Financial targets and dividend policy

NCC has financial objectives for two areas: earnings per share and net debt in relation to EBITDA. The objective is for earnings per share to be a minimum of SEK 16 by 2023. Net debt is to be less than 2.5 times EBITDA.

Earnings per share on a rolling 12-month basis amounted to SEK 11.32 at the end of the first quarter. NCC also had a small net cash balance¹, no net debt. Accordingly, the recognized net debt/EBITDA amounted to -0.26 times.

NCC's dividend policy is to distribute at least 40 percent of after-tax profit for the year. On March 30, 2021, NCC's Annual General Meeting resolved in favor of the Board's proposal that a dividend of SEK 5.00 be paid per share for the 2020 fiscal year, divided between two payment occasions. This corresponds to 43 percent of after-tax profit for 2020. April 1, 2021 was adopted as the record date for the first dividend payment of SEK 2.50. November 9, 2021 was set as the record date for the second payment of SEK 2.50.



Net debt excludes pension debt and lease liability. EBITDA refers to operating profit according to the income statement, with reversal of depreciation and impairment losses.

¹ This refers to the company's net cash excluding pension debt and lease liability

Sustainability targets

NCC works with sustainability issues on a broad front in its operations and the CEO and Senior Management Team have the principle responsibility for this. The operational responsibility for pursuing the sustainability efforts in various areas lies with the business areas and relevant Group functions. At Group level, NCC has sustainability targets in two areas, Health and Safety and Climate and Energy.

Health and Safety

Safety is a high priority area at NCC. We focus on this at all levels, with our sights set on completely preventing accidents that lead to serious injury or fatalities. Our aim is to reduce the accident frequency rate for accidents that lead to more than four days of absence per million worked hours to 3.0 by 2022. During the first quarter, our accident frequency rate was 3.4, which was lower than for full-year 2020, which was 3.6.

Climate and energy

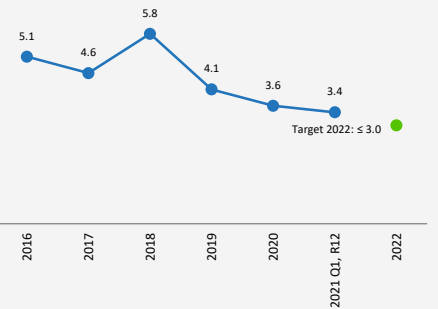
Since 2015, NCC has had the target of reducing its carbon footprint from the company's own emissions (Scope 1 and 2) by 50 percent by 2020. The outcome for 2020 was 42 percent. The conversion of asphalt plants to renewable fuels has been the largest contributory factor to the steadily declining climate impact. In 2020, Scope 1 accounted for approximately 97 percent of the operations' own emissions. Accordingly, work moving forward will be focused on this. The climate footprint in Scope 2 is low due to high adherence to electricity contracts that provide energy from renewable sources.

By 2030, NCC will:

- Reduce Scope 1 and Scope 2 by 60 percent relative to 2015
- Reduce Scope 3 by 50 percent in four categories that have major impact: asphalt, concrete, steel, and transport

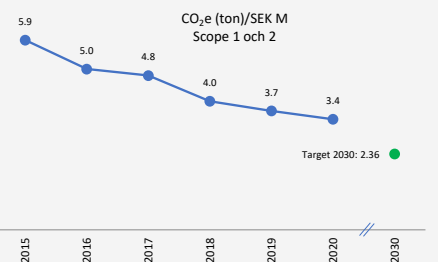
NCC will report Scope 1 and Scope 2 six-monthly in the interim reports for the first and third quarters. The development of metrics is ongoing for Scope 3.

Accident frequency rate¹⁾



¹⁾Accident frequency rate: Worksite accidents resulting in more than four days of absence from work per one million worked hours.

Emission intensity:



Asphalting of a highway in north Jutland in Denmark



NCC is laying asphalt with a lower climate footprint on a highway in north Jutland in Denmark.

Order status

First quarter 2021

Orders received and order backlog

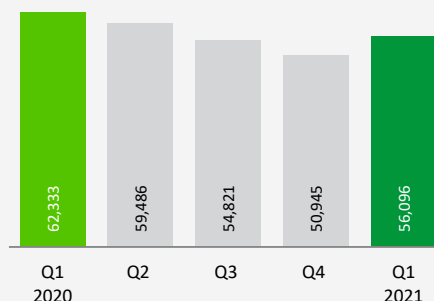
Orders received in the first quarter amounted to SEK 14,255 M (15,458).

Orders received were higher in Infrastructure but lower in the other business areas during the quarter, compared with the preceding year. Orders received in Infrastructure were higher in the Norwegian and Swedish operations, but somewhat lower in Hercules. Building Sweden's orders received declined during the quarter, partly due to two large projects in Region Sörmland that were registered among orders during the first quarter of 2020. The lower amount of orders received in Building Nordics was mainly attributable to the Danish operations, which, for example, had a major refurbishment project registered among orders in the first quarter of 2020 with a value of approximately SEK 1 billion.

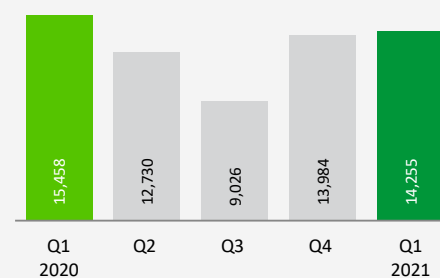
Changes in exchange rates impacted orders received negatively by SEK 204 M (54).

The Group's order backlog totaled SEK 56,096 M (62,333) at the end of the quarter. The order backlog was higher in Building Nordics but lower in the other business areas compared with the preceding year. Changes in exchange rates had an adverse impact of SEK 568 M (403) on the order backlog.

Order backlog



Orders received



Examples of orders and contracts during the first quarter

- Building Sweden is to expand two correctional facilities in Skaraborg on behalf of Specialfastigheter. The total potential order volume is about SEK 2 billion, which will be registered among orders on a continuous basis.
- Infrastructure is to construct the new Hagastaden subway station in Stockholm. The order is valued at approximately SEK 1.2 billion.
- Building Nordics has started the construction of 21,000 square meters of office space on behalf of Pembroke in Helsinki.
- Building Sweden is to perform remodeling and refurbishment works in southern Sweden on behalf of the Akelius property company. The order value is approximately SEK 540 M.
- Building Sweden, in cooperation with Jönköpings kommuns Fastighetsutveckling AB, is to construct Science Park Towers in central Jönköping. The order value is approximately SEK 440 M.
- Infrastructure is to continue the remodeling of the central treatment plant in Kristianstad. The order value is approximately SEK 360 M.
- Building Nordics is to construct seven apartment blocks for the City of Helsinki. The total order value is approximately SEK 350 M.
- Infrastructure, together with Fortum, is to enhance dam safety on the Dalälven River. The two agreements concluded have a combined order value of approximately SEK 270 M.
- Property Development started construction of the new office that NCC is developing for Genmab, Kontorvaerket in Copenhagen. The construction order was registered in Building Nordics during the quarter.

NCC Infrastructure

First quarter 2021

Orders received and order backlog

Orders received in the first quarter amounted to SEK 5,432 M (4,776). Orders received were higher in Norway and Sweden but lower in Hercules compared with the preceding year.

The order backlog decreased year-on-year, amounting to SEK 18,296 M (21,106) at the end of the first quarter, due to lower orders received than sales in the Norwegian and Swedish operations during 2020.

Net sales and earnings

Net sales were lower and amounted to SEK 3,486 M (4,092) in the first quarter. Net sales were lower in the Swedish and Norwegian operations.

Operating profit was at the same level as in the preceding year and amounted to SEK 40 M (40) in the first quarter. The operating margin was strengthened, but operating profit was impacted by lower net sales.

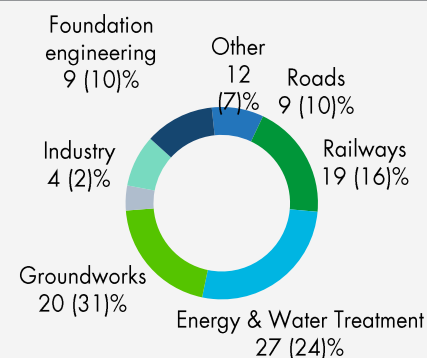
Division Hercules, which works with foundation engineering, has been part of the Infrastructure business area since January 1, 2021. Comparative figures for previous periods have been adjusted for this.

| NCC Infrastructure, SEK M | Q1 | | R 12 Apr-Mar Jan-Dec | |
|------------------------------|--------|--------|----------------------|--------|
| | 2021 | 2020 | 2020/2021 | 2020 |
| Orders received | 5,432 | 4,776 | 14,736 | 14,080 |
| Order backlog | 18,296 | 21,106 | 18,296 | 16,200 |
| Net sales | 3,486 | 4,092 | 17,666 | 18,271 |
| Operating profit/loss | 40 | 40 | 357 | 357 |
| Operating margin, % | 1.1 | 1.0 | 2.0 | 2.0 |

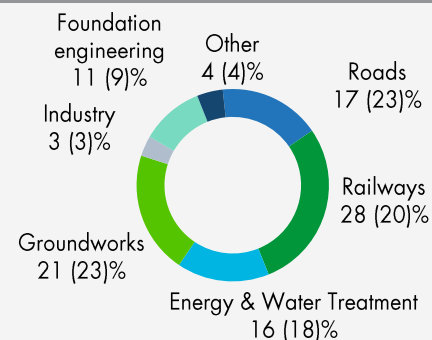
Share of sales Jan-Mar

32%

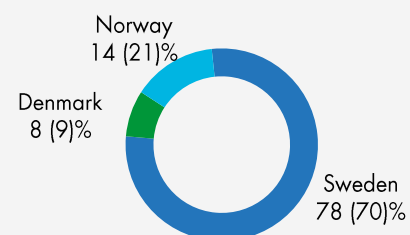
Orders received Jan-Mar



Net sales Jan-Mar



Net sales Jan-Mar



NCC Building Sweden

First quarter 2021

Orders received and order backlog

Orders received in the first quarter amounted to SEK 3,665 M (4,458). Renovation and refurbishment accounted for the largest proportion of orders received due to factors including a major order in southern Sweden for approximately SEK 540 M. The number of residential units was higher year-on-year and accounted for slightly more than one third of orders received. Slightly less than half of these were rental units. For public buildings, the comparison was impacted by two large projects in Region Sörmland that were registered among orders during the first quarter of 2020.

The order backlog increased to SEK 18,256 M (17,630) at the end of the quarter.

Net sales and earnings

Net sales in the first quarter amounted to SEK 3,079 M (3,384). Public buildings and residential construction accounted for more than half of net sales.

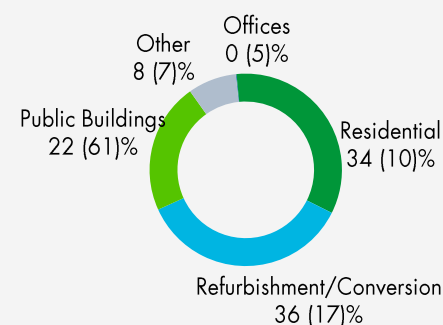
Operating profit amounted to SEK 90 M (87) in the first quarter. Year-on-year, earnings were positively impacted by improved project margins, but negatively impacted by lower volumes. The operating margin improved year-on-year.

| NCC Building Sweden, SEK M | Q1 | | R 12 Apr-Mar Jan-Dec | |
|----------------------------|--------|--------|----------------------|--------|
| | 2021 | 2020 | 2020/2021 | 2020 |
| Orders received | 3,665 | 4,458 | 13,692 | 14,484 |
| Order backlog | 18,256 | 17,630 | 18,256 | 17,670 |
| Net sales | 3,079 | 3,384 | 13,069 | 13,375 |
| Operating profit/loss | 90 | 87 | 384 | 381 |
| Operating margin, % | 2.9 | 2.6 | 2.9 | 2.9 |

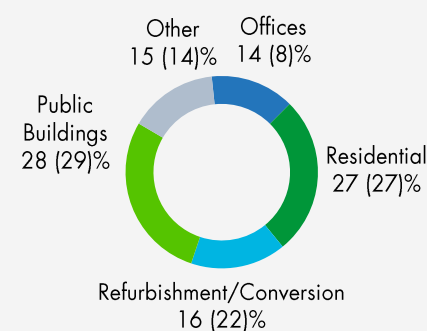
Share of sales Jan-Mar

28%

Orders received Jan-Mar



Net sales Jan-Mar



NCC Building Nordics

First quarter 2021

Orders received and order backlog

Orders received in the first quarter amounted to SEK 2,093 M (3,247). The year-on-year decline was mainly attributable to the fact that the Danish operations registered a major refurbishment project of approximately SEK 1 billion among orders in the first quarter of 2020. Offices and residential construction accounted for more than half of the total orders received, followed by renovation and refurbishment, which accounted for nearly one-fourth of orders received.

The order backlog totaled SEK 14,852 M (16,916) at the end of the quarter.

Net sales and earnings

Net sales in the first quarter amounted to SEK 2,420 M (2,856). The decline in the quarter originated primarily in the Finnish operations. Residential construction, together with renovation and refurbishment, accounted for more than half of net sales.

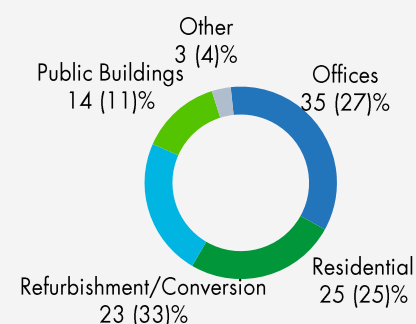
Operating profit amounted to SEK 39 M (50) in the first quarter. Earnings for the quarter were positively impacted by higher project margins, but negatively by lower sales and increased overhead costs for tendering work, among other items. The operating margin for the quarter was somewhat lower than in the first quarter of the preceding year.

| NCC Building Nordics, SEK M | Q1 | | R 12 Apr-Mar Jan-Dec | |
|--------------------------------|--------|--------|----------------------|--------|
| | 2021 | 2020 | 2020/2021 | 2020 |
| Orders received | 2,093 | 3,247 | 10,722 | 11,877 |
| Order backlog | 14,852 | 16,916 | 14,852 | 14,856 |
| Net sales | 2,420 | 2,856 | 11,698 | 12,134 |
| Operating profit/loss | 39 | 50 | 332 | 343 |
| Operating margin, % | 1.6 | 1.7 | 2.8 | 2.8 |

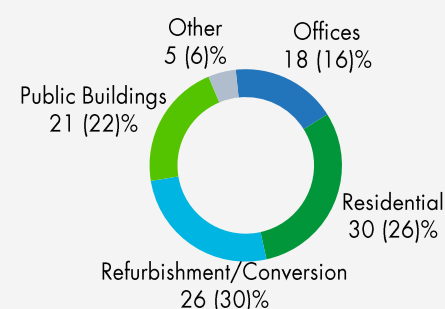
Share of sales Jan-Mar

22%

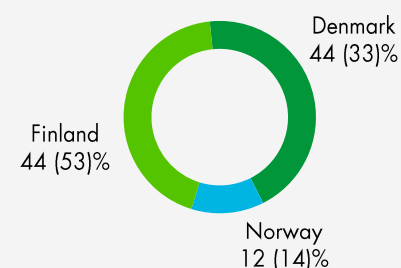
Orders received Jan-Mar



Net sales Jan-Mar



Net sales Jan-Mar



NCC Industry

First quarter 2021

Orders received

Orders received amounted to SEK 2,884 M (2,918) for the first quarter. The asphalt operations' orders received were in line with the preceding year, with higher orders received in Norway, Denmark, and the southern and central areas of Sweden, but lower in Finland and northern Sweden. Orders received in the stone materials operations were lower than in the preceding year in Sweden, Finland, and Norway.

Net sales and earnings

In the business area, the first quarter is characterized by a seasonally low level of activity. Net sales amounted to SEK 822 M (926). Net sales were lower in the asphalt operations primarily due to lower volumes. The stone materials operations' net sales and volumes were lower in all countries apart from Denmark, where net sales and volumes increased during the first quarter.

The operating result amounted to SEK -298 M (-364) in the first quarter. The asphalt operations' operating result improved in all countries compared with the preceding year. This was due to higher efficiency and some non-recurring items within the asphalt operations. The operating result was higher in the stone materials operations, primarily in the Danish business, due to higher volumes and an improved product mix, while the operating result was lower in Norway due to reduced volumes.

The foundation engineering operations within division Hercules were transferred to the Infrastructure business area at year-end 2020. Comparative figures for previous periods have been adjusted for this.

Capital employed

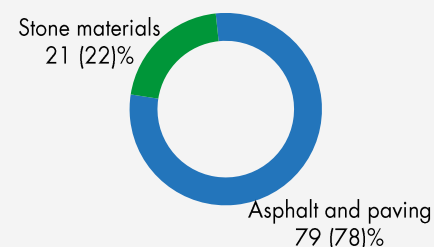
Capital employed declined year-on-year mainly due to lower working capital.

| NCC Industry, SEK M | Q1 | | R 12 Apr-Mar Jan-Dec | |
|-----------------------------------|-------|-------|----------------------|--------|
| | 2021 | 2020 | 2020/2021 | 2020 |
| Orders received | 2,884 | 2,918 | 10,571 | 10,605 |
| Order backlog | 4,094 | 4,363 | 4,094 | 1,994 |
| Net sales | 822 | 926 | 10,765 | 10,869 |
| Operating profit/loss | -298 | -364 | 451 | 386 |
| Capital employed | 4,903 | 4,978 | 4,903 | 4,465 |
| Stone materials tons, sold volume | 5,896 | 6,078 | 28,325 | 28,508 |
| Asphalt tons, sold volume | 133 | 176 | 6,175 | 6,219 |
| Operating margin, % | -36.3 | -39.3 | 4.2 | 3.5 |
| Return on capital employed, % | | | 9.1 | 7.8 |

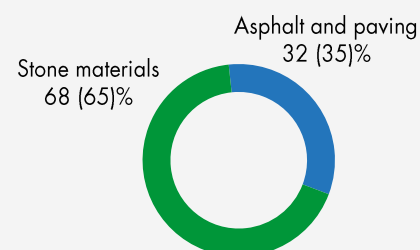
Share of sales Jan-Mar

8%

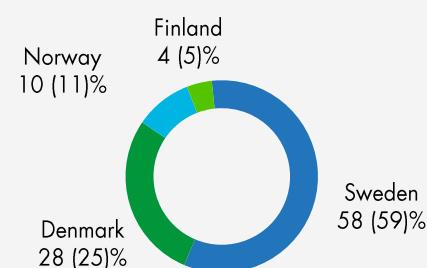
Orders received Jan-Mar



Net sales Jan-Mar



Net sales Jan-Mar



NCC Property Development

First quarter 2021

Net sales and earnings

Net sales in the first quarter amounted to SEK 1,136 M (1,577).

Operating profit declined and amounted to SEK 47 M (323). During the quarter, one office project was recognized in profit, Valle View in Norway. Full provisions for rental guarantees and VAT for all unlet spaces in accordance with Norwegian legislation had a negative impact on the result from this project during the quarter. Sales of land, gains from earlier sales and reversals of provisions made earlier for guarantees and project costs made a positive contribution to earnings during the quarter. In the preceding year, profit for the first quarter was derived from one office project recognized in profit (K12 in Sweden), sales of land and gains from earlier sales.

Property projects

Construction of an office project in Finland, Kulma21, commenced during the quarter. The Frederiks Plads 2 project in Denmark was sold and is expected to be recognized in profit in the fourth quarter of 2021.

Letting in the first quarter amounted to 11,500 square meters (13,500). A total of 15 new leases were signed in all countries, but the year-on-year comparison was affected by the letting of a large space in the Next project in Finland in 2020.

At the end of the first quarter, 15 projects (15) were either ongoing or completed but not yet recognized in profit. The costs incurred in all projects amounted to SEK 5.8 billion (4.3), corresponding to a total completion rate of 52 percent (44). The completion rate for ongoing projects amounted to 50 percent (44). The total letting rate was 57 percent (50). Operating net amounted to SEK 2 M (7) for the first quarter.

Capital employed

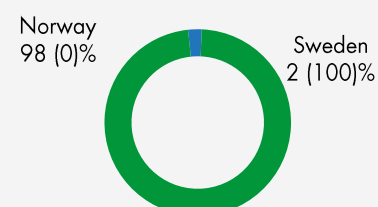
The capital employed amounted to SEK 5,703 M (4,624) at the end of the quarter.

| NCC Property Development, SEK M | Q1 | | R 12 Apr-Mar | Jan-Dec |
|---------------------------------|-------|-------|--------------|---------|
| | 2021 | 2020 | 2020/2021 | 2020 |
| Net sales | 1,136 | 1,577 | 2,296 | 2,737 |
| Operating profit/loss | 47 | 323 | 159 | 434 |
| Capital employed | 5,703 | 4,624 | 5,703 | 6,433 |
| Operating margin, % | 4.1 | 20.5 | 6.9 | 15.9 |
| Return on capital employed, % | | | 2.9 | 8.0 |

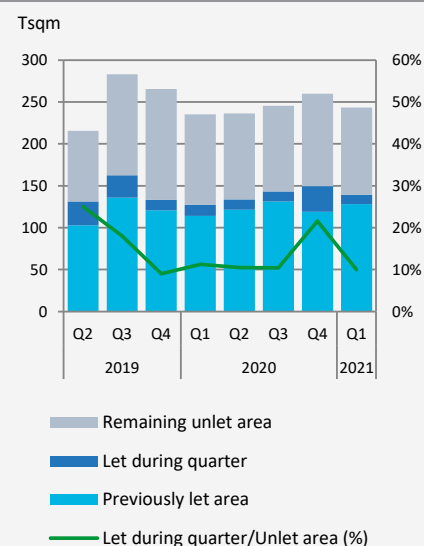
Share of sales Jan-Mar

10%

Net sales Jan-Mar

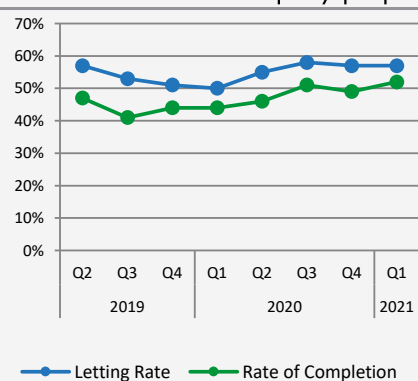


Letting¹⁾



¹⁾ Total letting also includes property sold earlier and property projects recognized earlier in profit, where NCC works with letting.

Property projects



NCC Property Development

Property development projects as of 2021-03-31

Ongoing Property development projects ¹

| Project | Type | Location | Sold, estimated recognition in profit | Completion ratio, % | Lettable area (sqm) | Letting ratio, % |
|---------------------------|--------|------------|---------------------------------------|---------------------|---------------------|------------------|
| Frederiks Plads 2 | Office | Århus | Q4 2021 | 72 | 17,400 | 75 |
| Kontorværket 1 | Office | Copenhagen | | 13 | 15,900 | 100 |
| Omega CH | Office | Århus | | 79 | 8,900 | 62 |
| Total Denmark | | | | 49 | 42,200 | 83 |
| Fredriksberg D | Office | Helsinki | | 29 | 8,500 | 96 |
| Hatsina Office 1 | Office | Espos | Q3 2021 | 68 | 18,400 | 56 |
| Next | Office | Espos | Q4 2021 | 61 | 10,000 | 100 |
| Kulma21 | Office | Helsinki | | 35 | 7,500 | 0 |
| We Land | Office | Helsinki | | 12 | 21,300 | 22 |
| Total Finland | | | | 36 | 65,700 | 49 |
| Kineum Gårda ² | Office | Gothenburg | | 64 | 21,300 | 85 |
| Bromma Blocks | Office | Stockholm | | 67 | 51,900 | 51 |
| Våghuset | Office | Gothenburg | | 46 | 11,000 | 33 |
| Brick Studios | Office | Gothenburg | | 44 | 16,200 | 31 |
| Bettorp | Other | Örebro | Q4 2021 | 35 | 6,900 | 100 |
| Total Sweden | | | | 59 | 107,300 | 55 |
| Total | | | | 50 | 215,200 | 56 |

Completed Property development projects

| Project | Type | Location | Sold, estimated recognition in profit | Lettable area (sqm) | Letting ratio, % |
|----------------------|--------|----------|---------------------------------------|---------------------|------------------|
| Viborg Retail II+III | Retail | Viborg | | 900 | 0 |
| Total Denmark | | | | 900 | 0 |
| K11 | Office | Solna | | 12,900 | 64 |
| Total Sweden | | | | 12,900 | 64 |
| Total | | | | 13,800 | 63 |

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 fourteen previously sold and revenue recognized property projects, a maximum of approximately SEK 115 M.

2) The project comprises rentable area of an existing building of approximately 16,000 square meters and an additional building right about 30,000 square meters of office space. The project is carried out together with Platzer, a Swedish listed real estate company, in a half-owned company. The information in the table refers to NCC's share of the project.

Other

Significant risks and uncertainties

An account of the risks to which NCC may be exposed is presented in the 2020 Annual Report (pages 21–23). This assessment still applies.

The coronavirus pandemic could impact NCC in several ways. The availability of labor could be affected by restrictions on travel and freedom of movement, as well as the health situation and quarantine rules. There are risks of delays to deliveries due to disruptions in production or supplies. The credit risk could also be impacted. In general, NCC's development follows the GDP trend and the company could be affected by a downward trending economy and falling GDP, as well as uncertainty that results in longer decision-making processes.

Related-party transactions

Related parties are NCC's subsidiaries, associated companies and joint arrangements. Related-company sales during the first quarter amounted to SEK 5 M (4) and purchases to SEK 1 M (0).

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.

Repurchase of shares

NCC AB holds 764,267 Series B treasury shares to meet its obligations pursuant to long-term incentive programs.

Other significant events

NCC held its Annual General Meeting (AGM) on March 30, 2021. Due to the coronavirus pandemic, the Meeting was held exclusively by postal voting.

Dividend

The AGM resolved in favor of the Board's proposal that a dividend of SEK 5.00 be paid per share for the 2020 fiscal year, divided between two payment occasions. The record date for the first payment of SEK 2.50 per share is April 1, 2021, while the record date for the second payment of SEK 2.50 per share is November 9, 2021.

Board of Directors and director fees

The AGM resolved that the Board of Directors is to comprise seven AGM-elected members and reelected all Board members in accordance with the Nomination Committee's proposals. NCC's Board of Directors comprises the members Geir Magne

Aarstad, Viveca Ax:son Johnson, Simon de Château, Alf Göransson, Mats Jönsson, Angela Langemar Olsson and Birgit Nørgaard. Alf Göransson was reelected Chairman of the Board.

It was resolved that director fees would total SEK 4,500,000, excluding remuneration for committee work, distributed so that the Chairman of the Board would receive SEK 1,500,000 and that each other AGM-elected member would receive SEK 500,000.

For the members of the Audit Committee, it was resolved to pay a fee of SEK 175,000 to the chair of the Committee and SEK 125,000 to each other member. Fees will be paid to the members of the Project Committee as follows: the chair of the Committee will receive SEK 125,000 and the other member will receive SEK 100,000. Apart from the fee to the Chairman, the fees are unchanged from the preceding year.

Auditor

The registered auditing firm PricewaterhouseCoopers AB (PwC), with Ann-Christine Hägglund as auditor-in-charge, was reelected auditor of the company. PwC was elected until the close of the 2022 AGM.

Nomination Committee

Viveca Ax:son Johnson, Nordstjernan (chair), Simon Blecher, Carnegie Funds, Mats Gustafsson, Lannebo Funds, and Peter Guve, AMF/AMF Funds, were elected members of the Nomination Committee. The Chairman of the Board, Alf Göransson, is a co-opted member of the Nomination Committee but has no voting right.

Long-term performance-based incentive programs

The AGM resolved to introduce a long-term performance-based incentive program (LTI 2021 Share Program) for senior executives and key personnel.

Repurchase of shares

The AGM authorized the Board to buy back a maximum of 560,000 Series B shares and to transfer a maximum of 365,000 Series B shares as Performance Shares and where necessary purchase and transfer a maximum of 100,000 B shares as Savings Shares to the participants of LTI 2021. It is also to be possible to transfer a maximum of 200,000 Series B shares via Nasdaq Stockholm to cover costs, mainly costs for dividend compensation, social security fees and payments on the basis of the synthetic shares, arising from outstanding long-term performance-based incentive programs (LTI 2018, LTI 2019 and LTI 2020) and LTI 2021.

Events after the close of the quarter

New Head of Purchasing

Johan Lindqvist has been appointed new Head of Purchasing at NCC and will take up the position by November 2021 at the latest. Johan Lindqvist comes most recently from Volvo Bussar AB. More information is available in a press release at www.ncc.com/media.

Divestment of Road Services Denmark not to go ahead

In July 2020, NCC signed an agreement to sell Road Services in Denmark to Arkil A/S, including an option for Arkil to withdraw from the acquisition if it had not been completed by a certain date. Since the process of obtaining approval from the Danish competition authorities took a protracted length of time, Arkil chose to exercise this option in April 2021. The acquisition will not be completed. The operation will continue to be reported as part of the Other and eliminations segment and will be operated by NCC. It remains the ambition to find an alternative owner for the operation at a suitable time.

Repurchase of shares

At its meeting on April 27, NCC's Board resolved on the buyback of a maximum of 88,000 Series B shares and on transfer of a maximum of 8,400 Series B shares, in accordance with the mandate it received from the AGM.

Impact of the coronavirus pandemic

During the period from the close of the quarter until the date of this interim report, there were no new material effects from the coronavirus pandemic.

Signatures

Solna, April 28, 2021

Tomas Carlsson

President and CEO

This report is unaudited.

CONDENSED CONSOLIDATED INCOME STATEMENT

| SEK M | Npte 1 | Q1 | | R 12 Apr-Mar | Jan-Dec |
|--|-----------|-------------|------------|--------------|--------------|
| | | 2021 | 2020 | 2020/2021 | 2020 |
| Net sales | | 10,140 | 11,766 | 52,296 | 53,922 |
| Production costs | Npte 2, 3 | -9,567 | -11,115 | -48,041 | -49,589 |
| Gross profit | | 573 | 651 | 4,255 | 4,333 |
| Selling and administrative expenses | Npte 2, 3 | -726 | -725 | -2,968 | -2,967 |
| Other operating income/expenses | Npte 3 | 9 | 5 | -2 | -6 |
| Operating profit/loss | | -144 | -69 | 1,285 | 1,360 |
| Financial income | | 15 | 15 | 30 | 30 |
| Financial expense ¹⁾ | | -23 | -36 | -97 | -110 |
| Net financial items | | -9 | -21 | -67 | -80 |
| Profit/loss after financial items | | -152 | -90 | 1,218 | 1,281 |
| Tax | | 29 | 6 | 1 | -22 |
| Net profit/loss | | -124 | -84 | 1,219 | 1,259 |
| Attributable to: | | | | | |
| NCC's shareholders | | -124 | -84 | 1,219 | 1,259 |
| Net profit/loss for the period | | -124 | -84 | 1,219 | 1,259 |
| Earnings per share | | | | | |
| Before and after dilution | | | | | |
| Net profit/loss for the period, SEK | | -1.15 | -0.78 | 11.32 | 11.68 |
| Number of shares, millions | | | | | |
| Total number of issued shares | | 108.4 | 108.4 | 108.4 | 108.4 |
| Average number of shares outstanding before and after dilution during the period | | 107.7 | 107.9 | 107.7 | 107.8 |
| Number of shares outstanding at the end of the period | | 107.7 | 107.9 | 107.7 | 107.7 |

¹⁾ Whereof interest expenses for the period Apr 20-Mar 21, SEK 77 M and Jan-Dec 20, SEK 91M.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| SEK M | Npte 1 | Q1 | | R 12 Apr-Mar | Jan-Dec |
|---|--------|-------------|-------------|--------------|--------------|
| | | 2020 | 2020 | 2020/2021 | 2020 |
| Net profit/loss for the period | | -124 | -84 | 1,219 | 1,259 |
| Items that have been recycled or should be recycled to net profit/loss for the period | | | | | |
| Exchange differences on translating foreign operations | | 76 | 82 | -133 | -127 |
| Cash flow hedges | | 30 | -21 | 59 | 8 |
| Income tax relating to items that have been or should be recycled to net profit/loss for the period | | -6 | 5 | -13 | -2 |
| | | 100 | 67 | -88 | -121 |
| Items that cannot be recycled to net profit/loss for the period | | | | | |
| Revaluation of defined benefit pension plans | | 244 | -324 | 679 | 111 |
| Income tax relating to items that can not be recycled to net profit/loss for the period | | -50 | 69 | -142 | -23 |
| | | 194 | -255 | 537 | 88 |
| Other comprehensive income | | 294 | -188 | 449 | -32 |
| Total comprehensive income | | 170 | -272 | 1,668 | 1,226 |
| Attributable to: | | | | | |
| NCC's shareholders | | 170 | -272 | 1,668 | 1,226 |
| Total comprehensive income | | 170 | -272 | 1,668 | 1,226 |

CONDENSED CONSOLIDATED BALANCE SHEET

| SEK M | Nbte 1 | Mar 31 2021 | Mar 31 2020 | Dec 31 2020 |
|---|--------|---------------|---------------|---------------|
| ASSETS | | | | |
| Goodwill | | 1,846 | 1,906 | 1,800 |
| Other intangible as sets | | 339 | 370 | 342 |
| Right-of-use as sets | Nbte 4 | 1,919 | 1,966 | 1,952 |
| Owner-occupied properties | | 882 | 936 | 875 |
| Machinery and equipment | | 2,412 | 2,487 | 2,306 |
| Long-term holdings of securities | | 88 | 114 | 93 |
| Long-term interest-bearing receivables | | 159 | 113 | 125 |
| Other long-term receivables | | 21 | 34 | 19 |
| Deferred tax as sets | | 663 | 626 | 587 |
| Total fixed as sets | | 8,328 | 8,552 | 8,099 |
| Right-of-use as sets | Nbte 4 | 12 | 54 | 11 |
| Properties held for future development | | 1,373 | 1,409 | 1,492 |
| Ongoing property projects | | 4,737 | 3,849 | 4,610 |
| Completed property projects | | 536 | 4 | 496 |
| Participations in associated companies | | 301 | 264 | 295 |
| Materials and inventories | | 1,036 | 1,166 | 953 |
| Tax receivables | | 126 | 130 | 58 |
| Accounts receivable | | 6,401 | 7,091 | 7,084 |
| Worked-up, non-invoiced revenues | | 1,591 | 1,785 | 1,349 |
| Prepaid expenses and accrued income | | 918 | 852 | 907 |
| Current interest-bearing receivables | | 125 | 162 | 126 |
| Other receivables | | 678 | 758 | 740 |
| Short-term investments ¹⁾ | | 133 | 123 | 174 |
| Cash and cash equivalents | | 2,612 | 3,069 | 2,155 |
| Total current as sets | | 20,580 | 20,716 | 20,450 |
| Total as sets | | 28,908 | 29,268 | 28,549 |
| EQUITY | | | | |
| Shareholders' equity | | 4,146 | 2,774 | 3,972 |
| Total shareholders' equity | | 4,146 | 2,774 | 3,972 |
| LIABILITIES | | | | |
| Long-term interest-bearing liabilities | | 3,771 | 3,843 | 3,965 |
| Other long-term liabilities | | 63 | 63 | 60 |
| Provisions for pensions and similar obligations | | 2,615 | 3,195 | 2,832 |
| Deferred tax liabilities | | 260 | 219 | 196 |
| Other provisions | | 2,526 | 2,735 | 2,586 |
| Total long-term liabilities | | 9,234 | 10,055 | 9,639 |
| Current interest-bearing liabilities | | 764 | 902 | 606 |
| Accounts payable | | 3,930 | 4,021 | 4,487 |
| Tax liabilities | | 60 | 14 | 66 |
| Invoiced revenues not worked-up | | 5,403 | 6,285 | 4,104 |
| Accrued expenses and prepaid income | | 3,271 | 3,525 | 3,727 |
| Provisions | | 18 | 18 | 19 |
| Other current liabilities | | 2,082 | 1,673 | 1,930 |
| Total current liabilities | | 15,528 | 16,439 | 14,938 |
| Total liabilities | | 24,762 | 26,494 | 24,577 |
| Total shareholders' equity and liabilities | | 28,908 | 29,268 | 28,549 |

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

CONDENSED CONSOLIDATED CHANGES IN SHAREHOLDERS' EQUITY

| SEK M | Mar 31, 2021 | | | Mar 31, 2020 | | |
|--|----------------------|---------------------------|----------------------------|----------------------|---------------------------|----------------------------|
| | Shareholders' equity | Nbn-controlling interests | Total shareholders' equity | Shareholders' equity | Nbn-controlling interests | Total shareholders' equity |
| Opening balance, January 1 st | 3,972 | | 3,972 | 3,044 | | 3,044 |
| Total comprehensive income | 170 | | 170 | -272 | | -272 |
| Performance based incentive program | 4 | | 4 | 3 | | 3 |
| Closing balance | 4,146 | | 4,146 | 2,774 | | 2,774 |

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

| SEK M | Q1 | | R 12 Apr-Mar | Jan-Dec |
|---|-------|-------|--------------|---------|
| | 2021 | 2020 | 2020/2021 | 2020 |
| OPERATING ACTIVITIES | | | | |
| Profit /loss after financial items | -152 | -90 | 1,218 | 1,281 |
| Adjustments for items not included in cash flow | 249 | 295 | 1,517 | 1,564 |
| Taxes paid | -74 | -171 | -91 | -188 |
| Cash flow from operating activities before changes in working capital | 22 | 34 | 2,644 | 2,656 |
| Divestment of property projects | 1,000 | 1,270 | 1,822 | 2,092 |
| Gross investments in property projects | -967 | -974 | -3,347 | -3,353 |
| Cash flow from property projects | 33 | 296 | -1,525 | -1,262 |
| Other changes in working capital | 687 | 673 | 188 | 174 |
| Cash flow from operating activities | 742 | 1,003 | 1,307 | 1,569 |
| INVESTING ACTIVITIES | | | | |
| Acquisition/Sale of subsidiaries and other holdings | 7 | 1 | 21 | 15 |
| Acquisition/Sale of tangible fixed assets | -163 | 17 | -635 | -456 |
| Acquisition/Sale of other fixed assets | | -3 | -19 | -22 |
| Cash flow from investing activities | -156 | 15 | -634 | -463 |
| Cash flow before financing | 586 | 1,018 | 673 | 1,106 |
| FINANCING ACTIVITIES | | | | |
| Cash flow from financing activities | -131 | -317 | -1,136 | -1,322 |
| Cash flow during the period | 455 | 700 | -462 | -217 |
| Cash and cash equivalents at beginning of period | 2,155 | 2,416 | 3,069 | 2,416 |
| Effects of exchange rate changes on cash and cash equivalents | 2 | -47 | 6 | -44 |
| Cash and cash equivalents at end of period | 2,612 | 3,069 | 2,612 | 2,155 |
| Short-term investments due later than three months | 133 | 123 | 133 | 174 |
| Total liquid assets at end of period | 2,745 | 3,192 | 2,745 | 2,330 |

CONDENSED CONSOLIDATED NET DEBT

| Net debt, SEK M | Q1 | | R 12 Apr-Mar | Jan-Dec |
|--|---------------|---------------|---------------|---------------|
| | 2021 | 2020 | 2020/2021 | 2020 |
| Net debt, opening balance | -4,823 | -4,489 | -4,474 | -4,489 |
| - Cash flow from operating activities | 742 | 1,003 | 1,307 | 1,569 |
| - Cash flow from investing activities | -156 | 15 | -634 | -463 |
| Cash flow before financing | 586 | 1,018 | 673 | 1,106 |
| Leasing - IFRS 16-effect | -102 | -600 | -602 | -1,100 |
| Acquisition/Sale of treasury shares | | | -34 | -34 |
| Change of provisions for pensions | 217 | -355 | 580 | 8 |
| Currency exchange differences in cash and cash equivalents | 2 | -47 | 5 | -44 |
| Paid dividend | | | -269 | -269 |
| Net cash + /net debt - closing balance | -4,120 | -4,474 | -4,120 | -4,823 |
| - Whereof provisions for pensions | -2,615 | -3,195 | -2,615 | -2,832 |
| - Whereof leasing debt according to IFRS 16. | -2,019 | -2,153 | -2,019 | -2,055 |
| - Whereof other net cash/net debt | 514 | 874 | 514 | 64 |

PARENT COMPANY CONDENSED INCOME STATEMENT

| MSEK | Nbr 1 | Q1 | | R 12 apr-mar | Jan-dec |
|--|-------|------------|------------|--------------|--------------|
| | | 2021 | 2020 | 2020/2021 | 2020 |
| Nettoomsättning | | 10 | 17 | 133 | 140 |
| Försäljnings- och administrationskostnader | | -51 | -59 | -255 | -263 |
| Rörelseresultat | | -41 | -42 | -121 | -123 |
| Resultat från andelar i koncernföretag | | | | 1,057 | 1,057 |
| Resultat från övriga finansiella anläggningstillgångar | | 12 | | 26 | 14 |
| Resultat från finansiella omsättningstillgångar | | 1 | 3 | 1 | 3 |
| Räntekostnader och liknande resultatposter | | -7 | -9 | -28 | -30 |
| Resultat efter finansiella poster | | -35 | -49 | 936 | 921 |
| Bokslutsdispositioner | | | | 153 | 153 |
| Skatt på periodens resultat | | 7 | 10 | 17 | 20 |
| Periodens resultat | | -27 | -38 | 1,106 | 1,095 |

The Parent Company consists primarily of head office functions plus a branch in Norway. Net sales pertain to charges to Group companies. The average number of employees was 54 (53).

PARENT COMPANY CONDENSED BALANCE SHEET

| SEK M | Note 1 | Mar 31 2021 | Mar 31 2020 | Dec 31 2020 |
|---|--------|--------------|--------------|--------------|
| ASSETS | | | | |
| Financial fixed assets | | 4,603 | 4,564 | 4,600 |
| Total fixed assets | | 4,603 | 4,564 | 4,600 |
| Current receivables | | 98 | 296 | 859 |
| Treasury balances in NCC Treasury AB | | 375 | 331 | 259 |
| Total current assets | | 473 | 628 | 1,119 |
| Total assets | | 5,076 | 5,192 | 5,719 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | | | |
| Shareholders' equity | | 4,054 | 3,248 | 4,080 |
| Provisions | | 6 | 6 | 6 |
| Long term liabilities | | 644 | 603 | 804 |
| Current liabilities | | 372 | 1,334 | 829 |
| Total shareholders' equity and liabilities | | 5,076 | 5,192 | 5,719 |

Approved dividends to shareholders amounted to SEK 538 M, of which SEK 269 M was paid in April and SEK 269 M will be paid in November 2021.

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 has been prepared pursuant to the same accounting policies and methods of calculation as the 2020 Annual Report (Note 1 and in connection with the subsequent notes). A small number of changes to existing standards and interpretations came into effect for the fiscal year commencing January 1, 2021. These standards and interpretations had no material impact on this financial report.

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 the Parent Company has been prepared in accordance with the same accounting policies and methods of calculation as the 2020 Annual Report (Note 1 and in connection with the subsequent notes) except that the Parent Company applies the exemption in RFR 2 and recognizes all lease commitments as operating leases.

NOTE 2. DEPRECIATION/AMORTIZATION

| SEK M | Q1 | | R 12 Apr-Mar | Jan-Dec |
|---|-------------|-------------|---------------|---------------|
| | 2020 | 2020 | 2020/2021 | 2020 |
| Other intangible as sets | -11 | -13 | -72 | -75 |
| Owner-occupied properties ¹⁾ | -78 | -76 | -346 | -344 |
| Machinery and equipment ²⁾ | -237 | -247 | -983 | -993 |
| Total depreciation | -326 | -336 | -1,401 | -1,412 |

¹⁾ Of which depreciation of right-of-use assets SEK 66 M (64)

²⁾ Of which depreciation of right-of-use assets SEK 102 M (106)

NOTE 3. IMPAIRMENT LOSSES

| SEK M | Q1 | | R 12 Apr-Mar | Jan-Dec |
|--------------------------------|----------|-----------|--------------|------------|
| | 2020 | 2019 | 2020/2021 | 2020 |
| Owner-occupied properties | | -1 | -7 | -8 |
| Machinery and equipment | | | -16 | -16 |
| Total impairment losses | 0 | -1 | -23 | -24 |

NOTE 4. RIGHT-OF-USE ASSETS

| SEK M | Mar 31 2021 | Mar 31 2020 | Dec 31 2020 |
|----------------------------------|--------------|--------------|--------------|
| Owner-occupied properties | 1,014 | 1,046 | 1,043 |
| Machinery and equipment | 906 | 920 | 909 |
| Land leases | 12 | 54 | 11 |
| Total right-of-use assets | 1,931 | 2,020 | 1,963 |

NOT 5. SEGMENT REPORTING

| January - March 2021 | NCC | | NCC | | NCC Industry | NCC Property Development | Total segments | Other and eliminations ¹⁾ | Group |
|-----------------------------------|----------------|-----------------|------------------|------------------|--------------|--------------------------|----------------|--------------------------------------|-------|
| | Infrastructure | Building Sweden | Building Nbrdics | Building Nbrdics | | | | | |
| Net sales, external | 3,295 | 2,715 | 2,069 | 751 | 1,134 | 9,963 | 177 | 10,140 | |
| Net sales, internal | 192 | 364 | 351 | 71 | 2 | 979 | -979 | 0 | |
| Net sales, total | 3,486 | 3,079 | 2,420 | 822 | 1,136 | 10,943 | -802 | 10,140 | |
| Operating profit | 40 | 90 | 39 | -298 | 47 | -83 | -61 | -144 | |
| Net financial items | | | | | | | | -9 | |
| Profit/loss after financial items | | | | | | | | -152 | |

| January - March 2020 | NCC | | NCC | | NCC Industry | NCC Property Development | Total segments | Other and eliminations ¹⁾ | Group |
|-----------------------------------|----------------|-----------------|------------------|------------------|--------------|--------------------------|----------------|--------------------------------------|-------|
| | Infrastructure | Building Sweden | Building Nbrdics | Building Nbrdics | | | | | |
| Net sales, external | 3,805 | 3,056 | 2,585 | 832 | 1,574 | 11,851 | -85 | 11,766 | |
| Net sales, internal | 288 | 328 | 270 | 94 | 3 | 983 | -983 | 0 | |
| Net sales, total | 4,092 | 3,384 | 2,856 | 926 | 1,577 | 12,835 | -1,068 | 11,766 | |
| Operating profit | 40 | 87 | 50 | -364 | 323 | 136 | -205 | -69 | |
| Net financial items | | | | | | | | -21 | |
| Profit/loss after financial items | | | | | | | | -90 | |

¹⁾ The figures for the quarter include among others NCC's head office and results from small subsidiaries and associated companies, totalling SEK -34 M (-45). Further, the figures for the quarter includes eliminations of internal profits of SEK2 M (1) and other Group adjustments, mainly consisting of differences of accounting policy between the segments and the Group, totalling SEK -19 M (-147). These items primarily correspond to pensions and from 2020 also leasing, when the rules on sale and leaseback are applied. Road Services is included with -10 M (-14).

Geographical areas

| SEK M | Net sales | | Orders received | |
|--------------|---------------|---------------|-----------------|---------------|
| | Jan-Mar | | | |
| | 2021 | 2020 | 2021 | 2020 |
| Sweden | 5,725 | 7,428 | 10,027 | 10,346 |
| Denmark | 1,489 | 1,485 | 1,609 | 2,674 |
| Norway | 2,046 | 1,388 | 888 | 960 |
| Finland | 879 | 1,464 | 1,732 | 1,479 |
| Total | 10,140 | 11,766 | 14,255 | 15,458 |

NOT 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, currency options, interest-rate swaps, oil

forward contracts and electricity forward contracts used for hedging purposes. The measurement at fair value of currency forward contracts, currency options, 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 | Mar 31 2021 | | | | Mar 31 2020 | | | | Dec 31 2020 | | | |
|---|-------------|-----------|-----------|------------|-------------|------------|-----------|------------|-------------|-----------|-----------|------------|
| | Level | | | | Level | | | | Level | | | |
| | 1 | 2 | 3 | Tot | 1 | 2 | 3 | Tot | 1 | 2 | 3 | Tot |
| Financial assets measured at fair value through profit and loss | | | | | | | | | | | | |
| Short-term investments | 93 | | | 93 | 41 | | | 41 | 104 | | | 104 |
| Derivative instruments | | 5 | | 5 | | 172 | | 172 | | 10 | | 10 |
| Derivative instruments used in hedge accounting | | 29 | | 29 | | 52 | | 52 | | 9 | | 9 |
| Financial assets measured at fair value through other comprehensive income | | | | | | | | | | | | |
| Equity instruments | | | 68 | 68 | | | 74 | 74 | | | 68 | 68 |
| Total assets | 93 | 34 | 68 | 195 | 41 | 224 | 74 | 339 | 104 | 19 | 68 | 191 |
| Financial liabilities measured at fair value through profit and loss | | | | | | | | | | | | |
| Derivative instruments | | 81 | | 81 | | 53 | | 53 | | 39 | | 39 |
| Derivative instruments used in hedge accounting | | 17 | | 17 | | 74 | | 74 | | 32 | | 32 |
| Total liabilities | 0 | 98 | 0 | 98 | 0 | 127 | 0 | 127 | 0 | 71 | 0 | 71 |

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 | Mar 31 2021 | | Mar 31 2020 | | Dec 31 2020 | |
|---|-----------------|------------|-----------------|------------|-----------------|------------|
| | Carrying amount | Fair value | Carrying amount | Fair value | Carrying amount | Fair value |
| Long-term interest-bearing receivables - amortized cost | 159 | 160 | 113 | 114 | 125 | 126 |
| Short-term investments - amortized cost | 40 | 40 | 82 | 82 | 70 | 70 |
| Long-term interest-bearing liabilities | 3,771 | 3,762 | 3,775 | 3,684 | 3,965 | 3,946 |
| Current interest-bearing liabilities | 764 | 764 | 878 | 879 | 606 | 606 |
| Interest-bearing liabilities attributable to assets held for sale | 0 | 0 | 92 | 92 | 0 | 0 |

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.

NOT 7. PLEDGED ASSETS, CONTINGENT LIABILITIES AND GUARANTEE OBLIGATIONS

SEK M

| Group | Mar 31 2021 | Mar 31 2020 | Dec 31 2020 |
|--|-------------|-------------|-------------|
| Assets pledged | 496 | 520 | 537 |
| Contingent liabilities and guarantee obligations ¹⁾ | 289 | 600 | 251 |
| Parent company | | | |
| Contingent liabilities and guarantee obligations ¹⁾ | 21,929 | 21,883 | 20,279 |

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

Summary of key figures

| | Q1 | Q1 R 12 | Apr-Mar | Jan-Dec | Jan-Dec | Jan-Dec | Jan-Dec | Jan-Dec | Jan-Dec |
|--|--------|---------|-----------|---------|---------|---------|--------------------|---------|---------|
| | 2021 | 2020 | 2020/2021 | 2020 | 2019 | 2018 | 2017 ³⁾ | 2017 | 2016 |
| Profitability ratios | | | | | | | | | |
| Return on shareholders equity, % excl profit from dividend of Bonava ¹⁾ | 34 | 41 | 34 | 37 | 32 | -18 | 17 | 18 | 19 |
| Return on shareholders equity, % incl profit from dividend of Bonava ^{1) 5)} | 34 | 41 | 34 | 37 | 32 | -18 | 17 | 18 | 118 |
| Return on capital employed, % excl profit from dividend of Bonava ¹⁾ | 12 | 15 | 12 | 12 | 13 | -9 | 12 | 13 | 13 |
| Return on capital employed, % incl profit from dividend of Bonava ^{1) 5)} | 12 | 15 | 12 | 12 | 13 | -9 | 12 | 13 | 63 |
| Financial ratios at period-end | | | | | | | | | |
| EBITDA % excl profit from dividend of Bonava | 1.8 | 2.3 | 5.2 | 5.2 | 4.7 | 0.8 | 3.3 | 3.6 | 4.7 |
| EBITDA % incl profit from dividend of Bonava ⁵⁾ | 1.8 | 2.3 | 5.2 | 5.2 | 4.7 | 0.8 | 3.3 | 3.6 | 17.0 |
| Interest-coverage ratio, times excl profit from dividend of Bonava ¹⁾ | 13.6 | 12.0 | 13.6 | 12.7 | 9.1 | -6.0 | 8.5 | 9.8 | 6.6 |
| Interest-coverage ratio, times incl profit from dividend of Bonava ^{1) 5)} | 13.6 | 12.0 | 13.6 | 12.7 | 9.1 | -6.0 | 8.5 | 9.8 | 31.1 |
| Equity/assets ratio, % | 14 | 9 | 14 | 14 | 10 | 11 | 19 | 20 | 22 |
| Interest bearing liabilities/total assets, % | 25 | 27 | 25 | 26 | 25 | 17 | 15 | 15 | 16 |
| Net cash +/-net debt -, SEK M | -4,120 | -4,474 | -4,120 | -4,823 | -4,489 | -3,045 | -149 | -149 | -222 |
| Debt/equity ratio, times | 1.0 | 1.6 | 1.0 | 1.2 | 1.5 | 1.0 | | | |
| Capital employed at period end, SEK M | 11,295 | 10,715 | 11,295 | 11,375 | 10,382 | 7,619 | 9,174 | 9,523 | 9,585 |
| Capital employed, average | 11,166 | 10,555 | 11,166 | 10,983 | 9,936 | 8,780 | 9,138 | 9,418 | 13,474 |
| Capital turnover rate, times ¹⁾ | 4.7 | 5.5 | 4.7 | 4.9 | 5.9 | 6.5 | 6.0 | 5.8 | 4.1 |
| Share of risk-bearing capital, % | 15 | 10 | 15 | 15 | 11 | 12 | 21 | 22 | 24 |
| Closing interest rate, % ⁶⁾ | 1.1 | 1.2 | 1.1 | 1.1 | 1.1 | 1.3 | 2.0 | 2.0 | 2.6 |
| Average period of fixed interest, years | 0.9 | 1.1 | 0.9 | 1.0 | 1.2 | 0.5 | 0.6 | 0.6 | 0.9 |
| Per share data | | | | | | | | | |
| Profit/loss after tax, before and after dilution, SEK excl profit from dividend Bonava | -1.15 | -0.78 | 11.32 | 11.68 | 8.09 | -7.00 | 8.07 | 9.29 | 11.61 |
| Profit/loss after tax, before and after dilution, SEK incl profit from dividend Bonava ⁵⁾ | -1.15 | -0.78 | 11.32 | 11.68 | 8.09 | -7.00 | 8.07 | 9.29 | 73.81 |
| Cash flow from operating activities, before and after dilution, SEK | 6.89 | 9.30 | 12.14 | 14.56 | 20.50 | -3.47 | 19.97 | 19.97 | 10.88 |
| Cash flow before financing, before and after dilution, SEK | 5.44 | 9.43 | 6.26 | 10.26 | 14.01 | -10.71 | 12.59 | 12.59 | -0.05 |
| P/E ratio excl profit from dividend Bonava ¹⁾ | 13 | 13 | 13 | 13 | 19 | -20 | 19 | 17 | 19 |
| P/E ratio incl profit from dividend Bonava ^{1) 5)} | 13 | 13 | 13 | 13 | 19 | -20 | 19 | 17 | 3 |
| Dividend, ordinary, SEK | | | 5.00 | 5.00 | 2.50 | 4.00 | 8.00 | 8.00 | 8.00 |
| Dividend yield, % | | | 3.4 | 3.3 | 1.6 | 2.9 | 5.1 | 5.1 | 3.5 |
| Shareholders' equity before dilution, SEK | 38.50 | 25.71 | 38.50 | 36.89 | 28.21 | 27.13 | 47.81 | 51.04 | 51.39 |
| Shareholders' equity after dilution, SEK | 38.50 | 25.71 | 38.50 | 36.89 | 28.21 | 27.13 | 47.81 | 51.04 | 51.39 |
| Share price/shareholders' equity, % | 383 | 507 | 383 | 407 | 543 | 508 | 329 | 308 | 439 |
| Share price at period-end, NCC B, SEK | 147.40 | 130.30 | 147.40 | 150.00 | 153.20 | 137.80 | 157.30 | 157.30 | 225.40 |
| Number of shares, millions | | | | | | | | | |
| Total number of issued shares ²⁾ | 108.4 | 108.4 | 108.4 | 108.4 | 108.4 | 108.4 | 108.4 | 108.4 | 108.4 |
| Treasury shares at period-end | 0.8 | 0.5 | 0.8 | 0.8 | 0.5 | 0.4 | 0.4 | 0.4 | 0.4 |
| Total number of shares outstanding at period-end before dilution | 107.7 | 107.9 | 107.7 | 107.7 | 107.9 | 108.0 | 108.1 | 108.1 | 108.1 |
| Average number of shares outstanding before and after dilution during the period | 107.7 | 107.9 | 107.7 | 107.8 | 108.0 | 108.1 | 108.1 | 108.1 | 108.1 |
| Market capitalization before dilution, SEK M ⁴⁾ | 15,859 | 14,069 | 15,859 | 16,144 | 16,548 | 14,896 | 16,997 | 16,997 | 24,325 |
| Personnel | | | | | | | | | |
| Average number of employees | 13,445 | 14,225 | 13,445 | 14,388 | 15,273 | 16,523 | 17,762 | 17,762 | 16,793 |

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

2) All shares issued by NCC are common shares.

3) The amounts are adjusted for change in accounting policy regarding IFRS 16.

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

5) The profit arising from the dividend of Bonava was SEK -31M and SEK 6,724 M in the full year 2017 and 2016.

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

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



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 below on April 28, 2021, at 7:10 a.m. CEST.

Invitation to presentation of the Interim Report for the first quarter of 2021



NCC's President and CEO Tomas Carlsson and Chief Financial Officer Susanne Lithander will present the interim report in a webcast and teleconference on April 28 at 9:00 a.m. CEST. The presentation will be held in English.

Presentation material will be available at www.ncc.se/ir from approximately 8:00 a.m. CEST.

Link to webcast: <https://ncc-live-external.creo.se/210428>

To participate by phone: To participate by phone, please call one of the following numbers five minutes prior to the start of the conference.
SE: +46 (0)8 505 583 50
UK: +44 333 300 9271
US: +1 833 823 05 89

Financial calendar

| | |
|--------------------------------------|------------------|
| Interim report Q2 and Jan–Jun period | July 21, 2021 |
| Interim report Q3 and Jan–Sep period | November 2, 2021 |
| Interim report Q4 and Jan–Dec period | February 2, 2022 |



For further information, please contact:

| | |
|-------------------------------|--|
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