

# Q4 2021



Tomas Carlsson, CEO  
Susanne Lithander, CFO



# Ending the year with a strong quarter

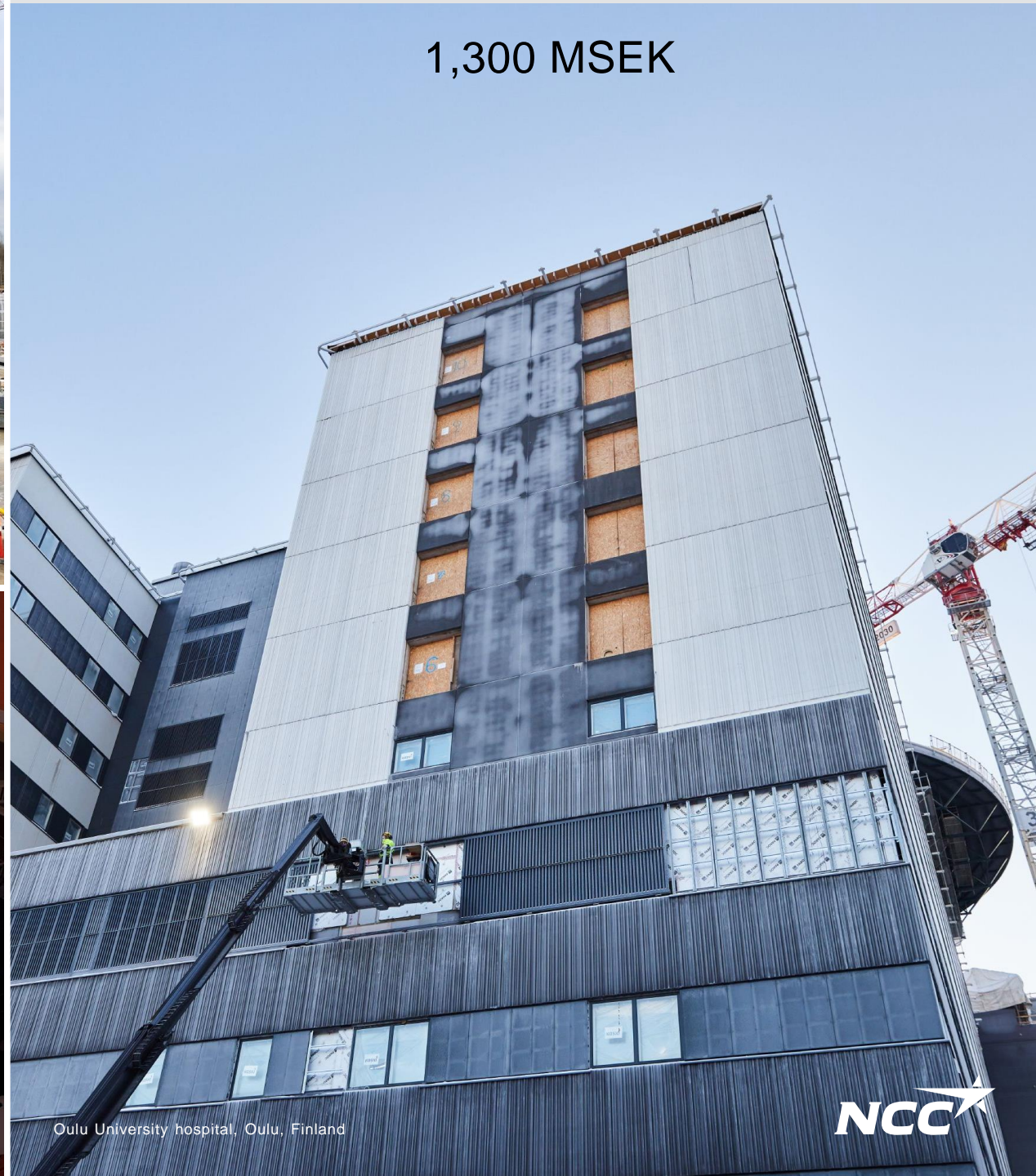


650 MSEK



New North Zealand Hospital, Hillerød, Denmark

1,300 MSEK



Oulu University hospital, Oulu, Finland

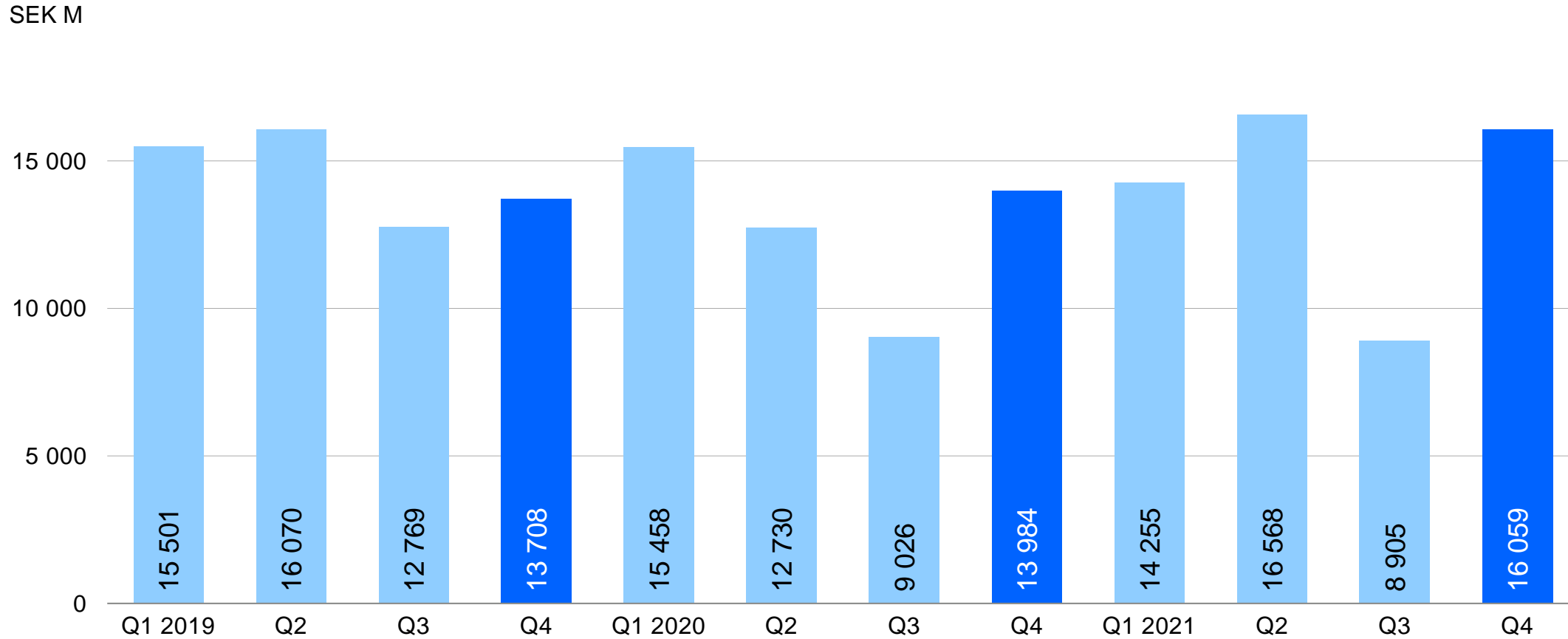
900 MSEK



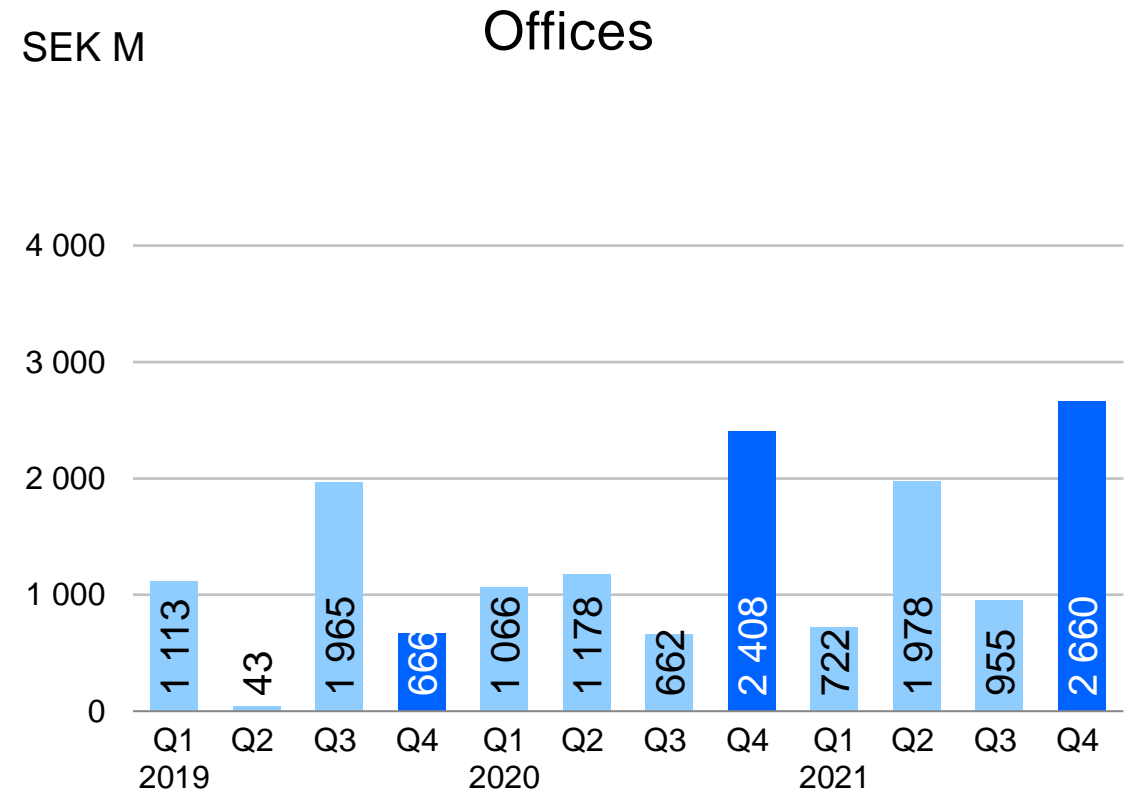
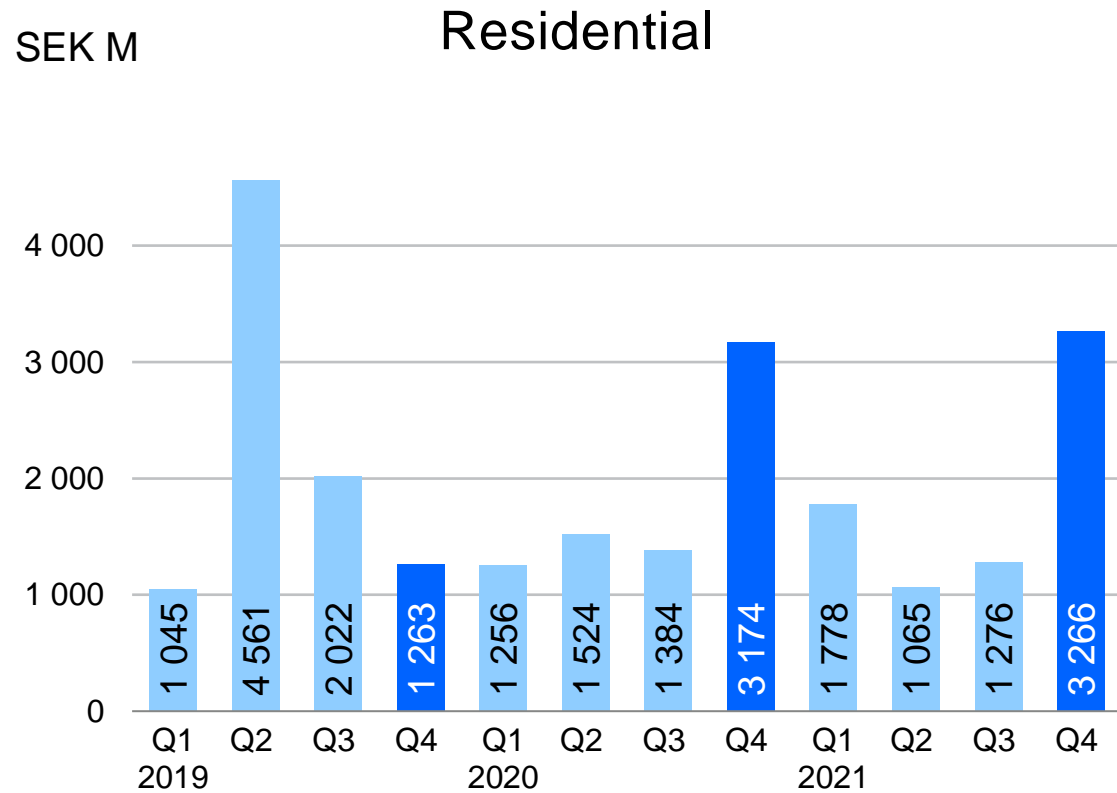
Teknostallen, Trondheim, Norway



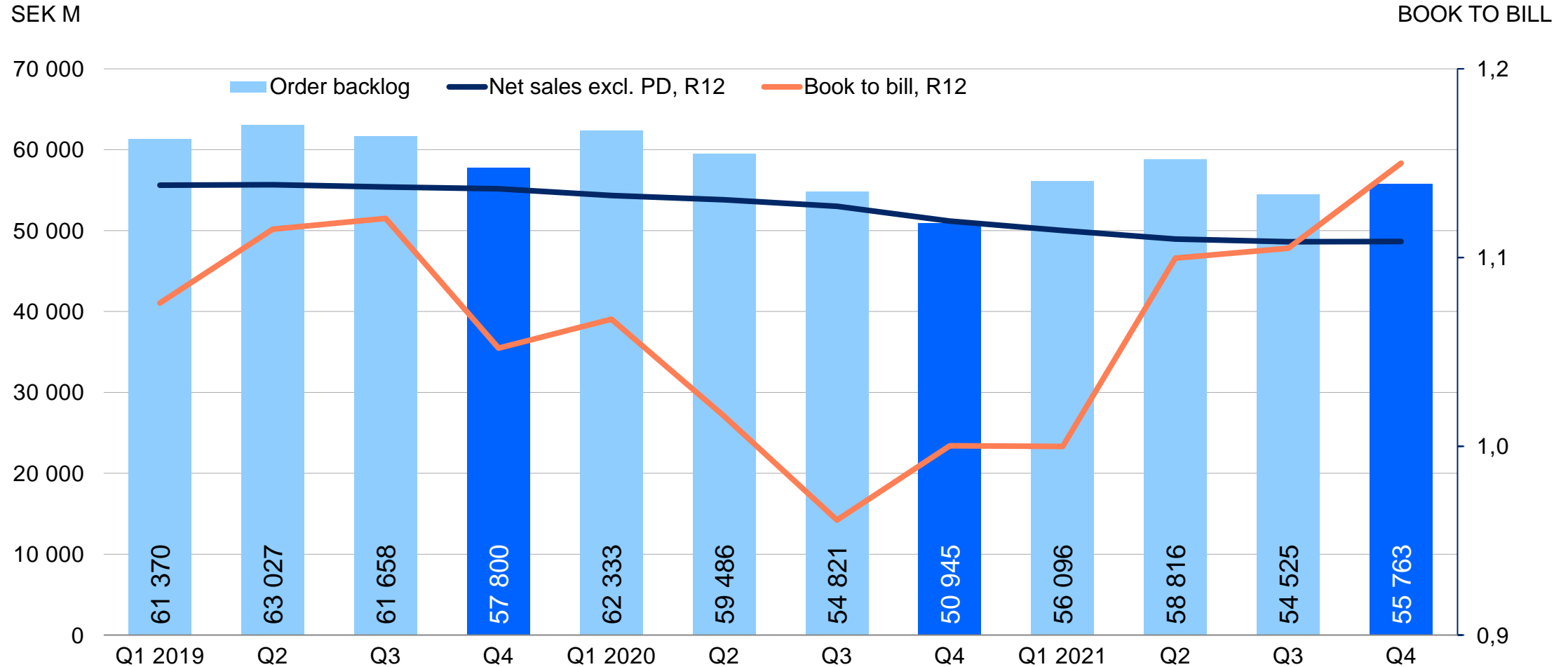
# Orders received up 9% full year



# Orders received in residential and offices

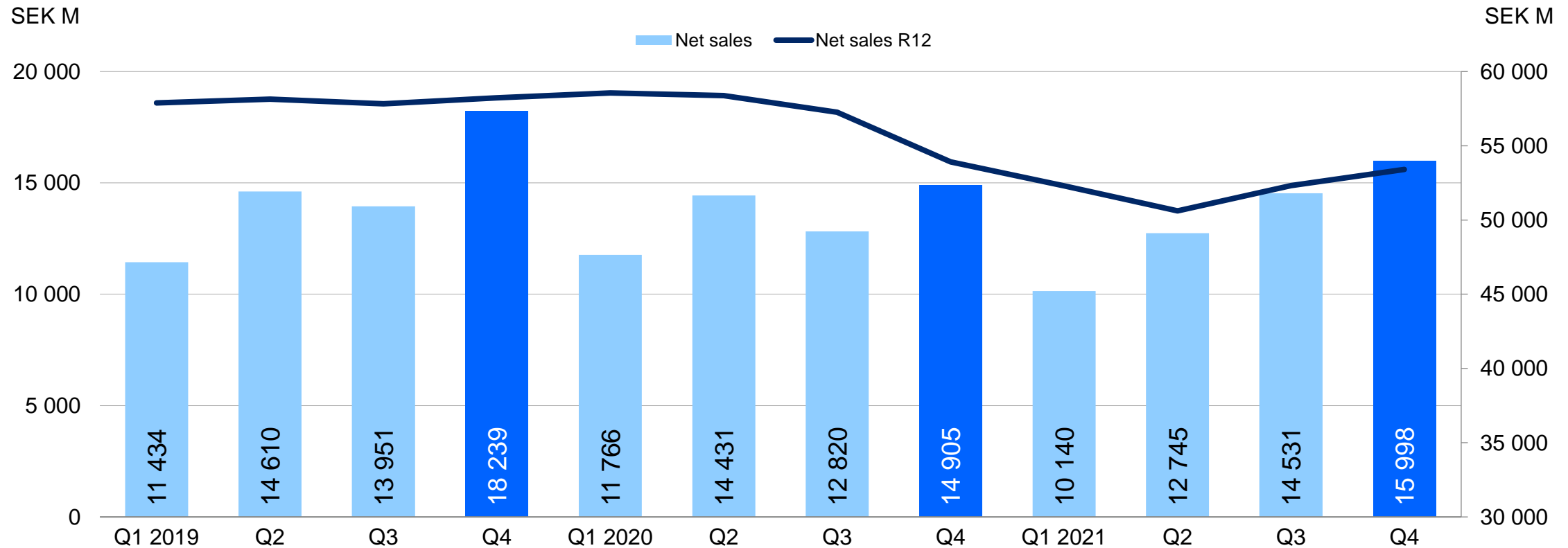


# Order backlog strong – book to bill >1

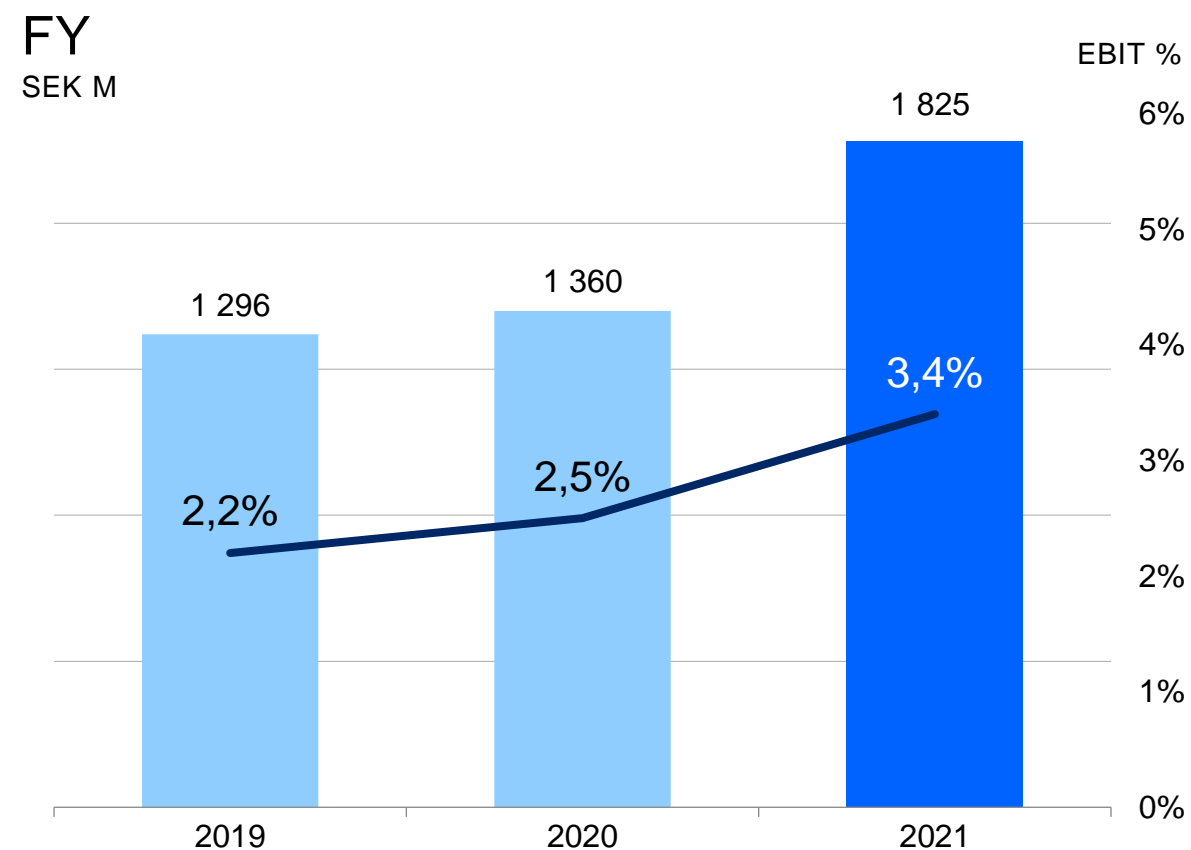
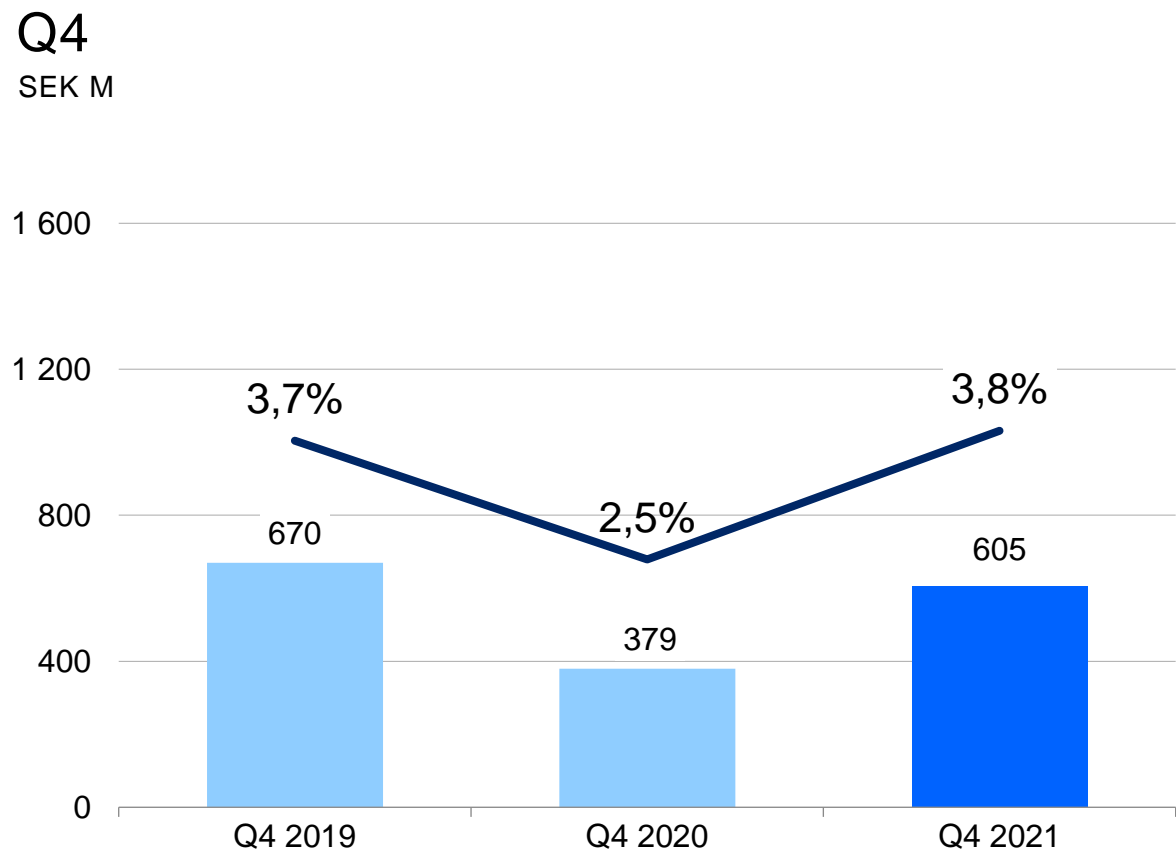


# Net sales growing

PD profit recognition - growth in Building Sweden



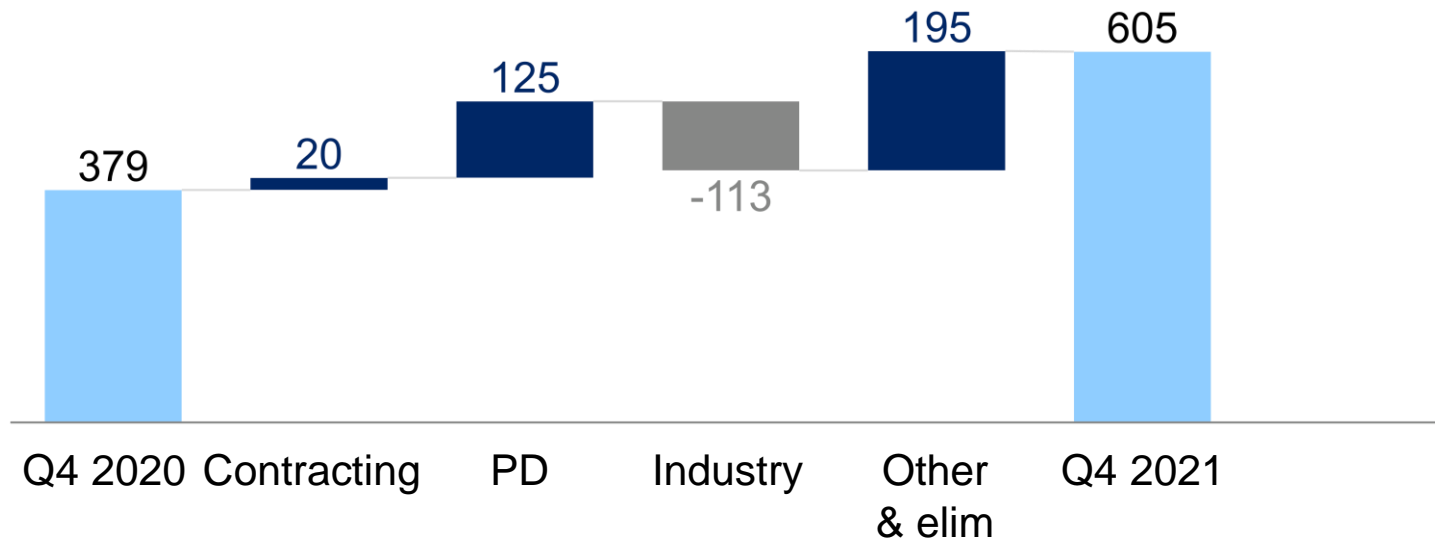
# Strong earnings and margin





# Q4: Earnings significantly stronger

SEK M



## Contracting

Improved earnings. In 2020 earnings were positively impacted by Optiplan divestment, 40 MSEK

## Property Development

Two projects recognized in profit

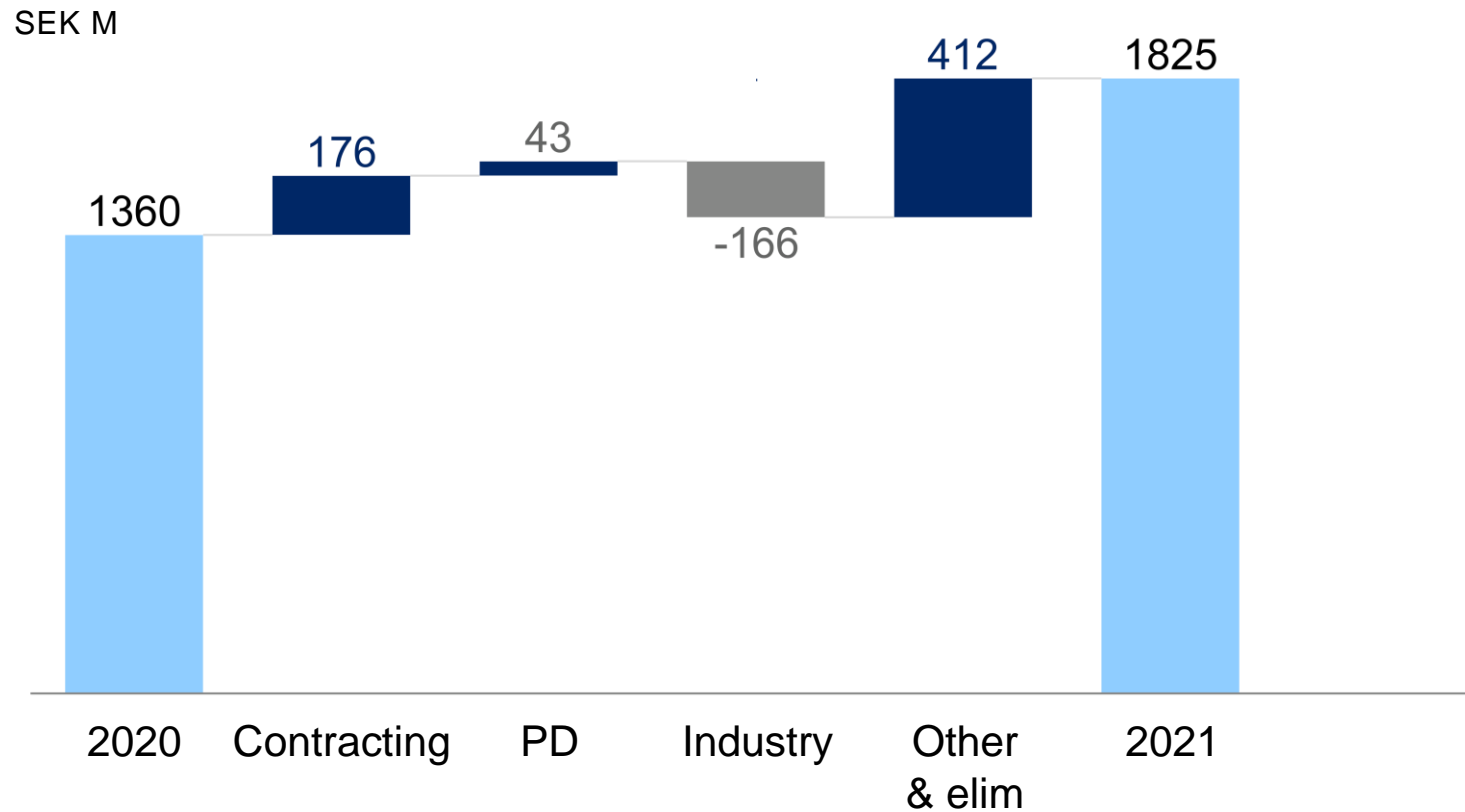
## Industry

Negative impact from asphalt business including Asphalt Finland earnings and divestment. Positive one-time impact from land sales and insurance policy repayment

## Other & eliminations

2021 includes a positive one-time repayment from a group sickness insurance policy of 124 MSEK

# 2021: Earnings up 34%



## Contracting

Strong earnings in all three contracting business areas

## Property Development

Seven projects recognized in profit this year

## Industry

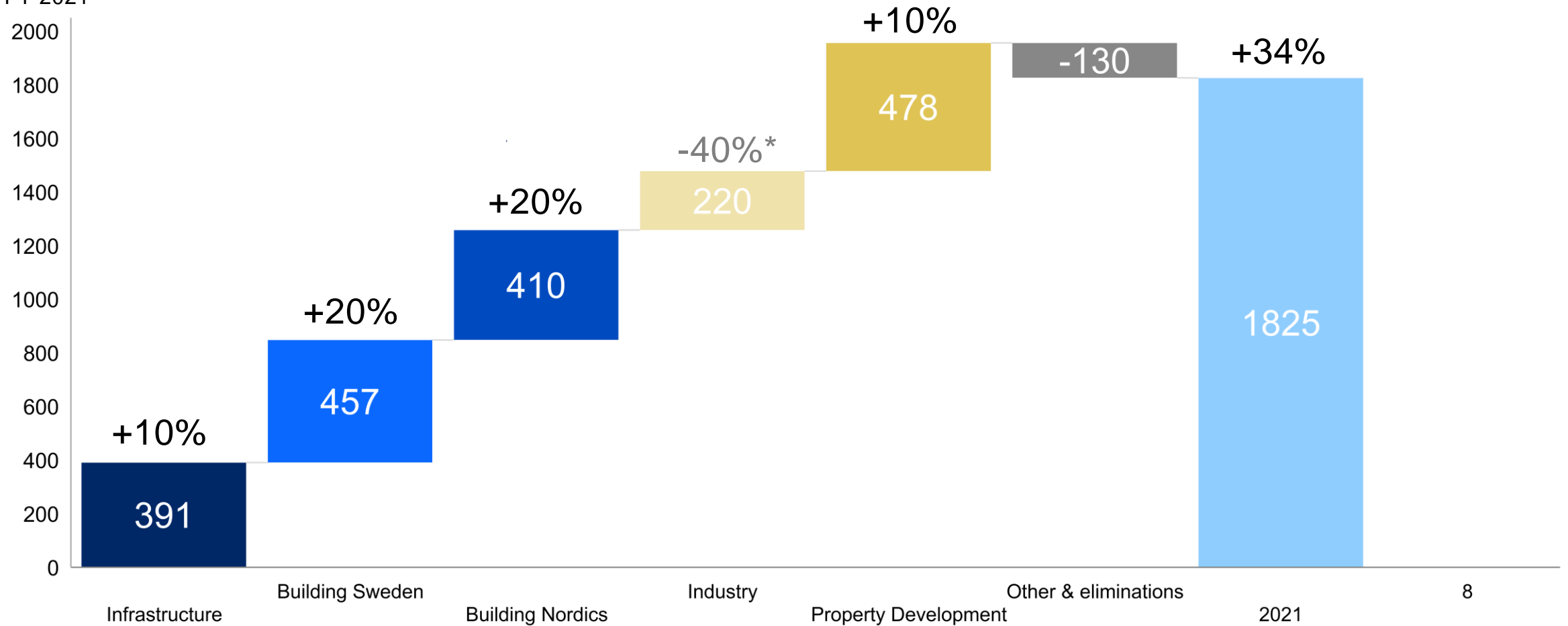
Negative impact from the asphalt business, mainly from asphalt Finland, now divested

## Other & eliminations

2020 included a negative impact from the sale-lease back of the NCC head office. 2021 includes a positive one-time repayment from a group sickness insurance policy

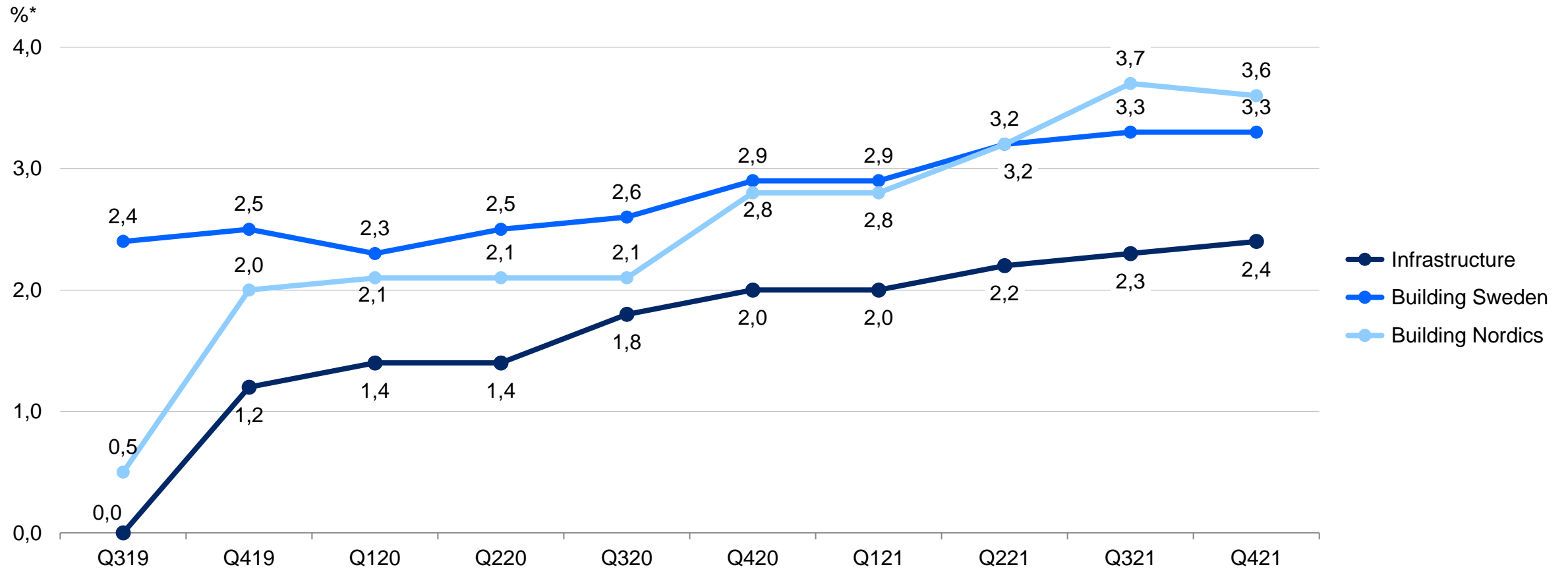
# Strong development

EBIT, SEK M,  
FY 2021



\*Several one-off items

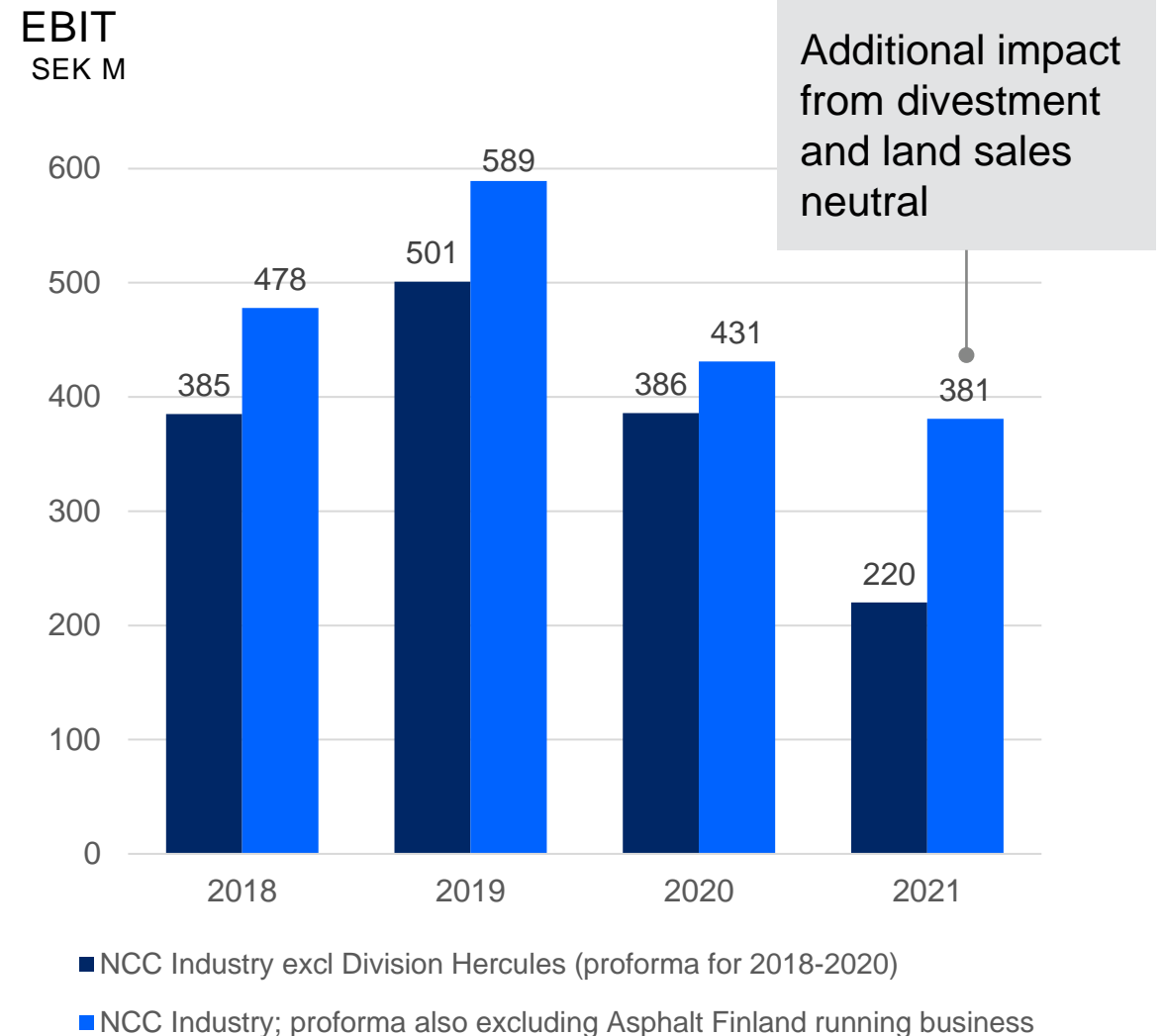
# Contracting: Strong and stable margins



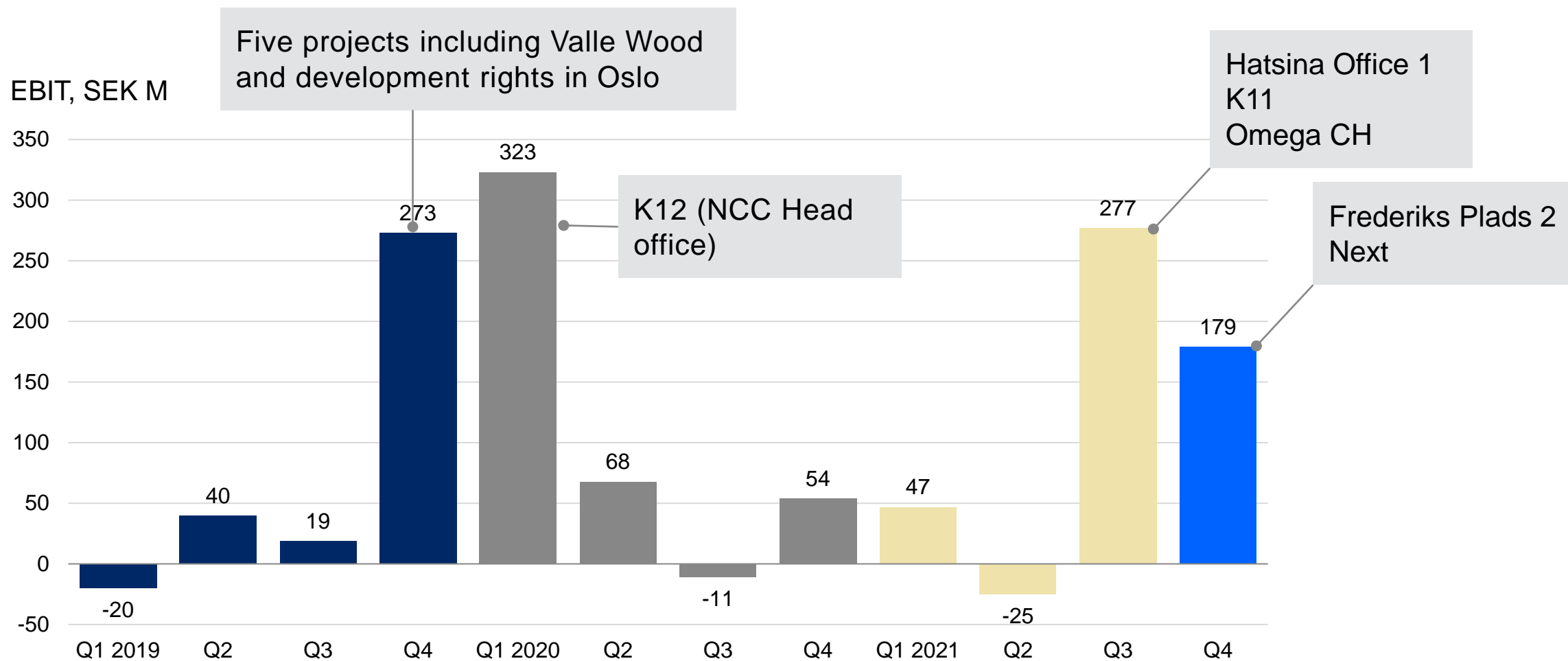
\*R12 EBIT margin. BA Infrastructure without Road Services

# Industry: Asphalt business in focus for improvement

- Stone Materials delivering stable, strong earnings
- Asphalt Sweden, Denmark and Norway:
  - More action taken to improve profitability – earnings development unsatisfactory
- Asphalt Finland divested – substantial negative impact
- Material positive impact from land sales in the quarter compensating negative divestment impact

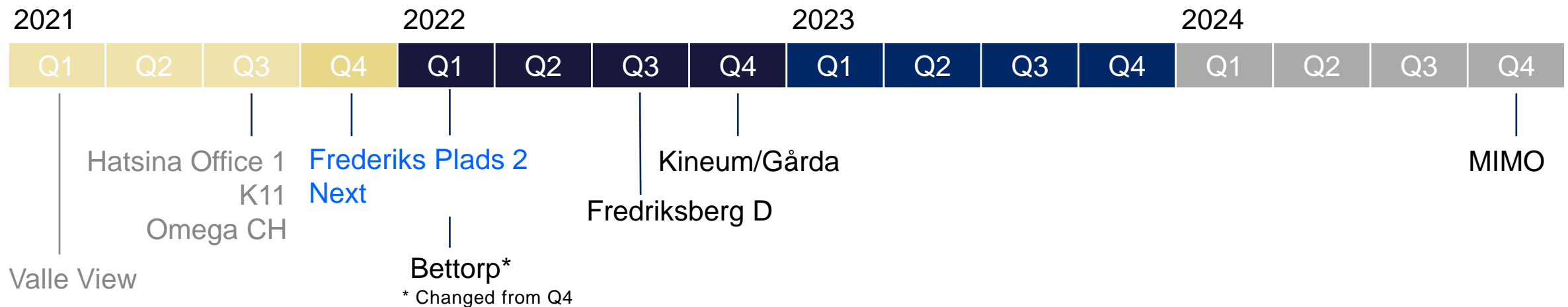


# PD: Profit recognition of completed\* projects



# 11 ongoing projects

## Expected profit recognition for sold projects



## Ongoing unsold projects

- Bromma Blocks, Stockholm
- We Land, Helsinki
- Brick Studios, Gothenburg
- Kontorvaerket 1, Copenhagen
- Våguset, Gothenburg
- Kulma21, Helsinki
- Nova, Solna

# Exploring extending scope to B2B residential

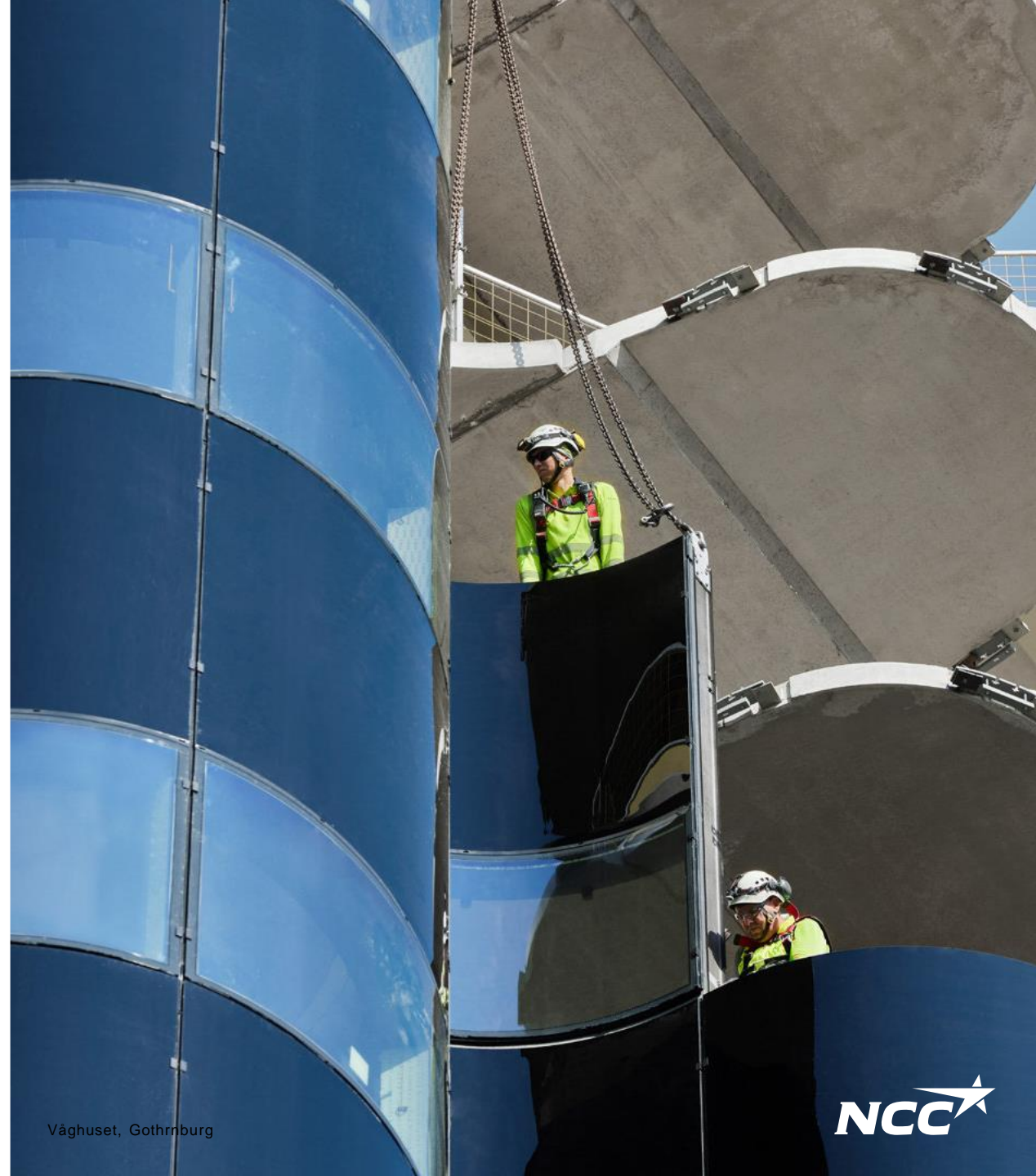
- Commercial B2B residential development
- Sweden and Finland first
- Offices remain our main product





# Risks

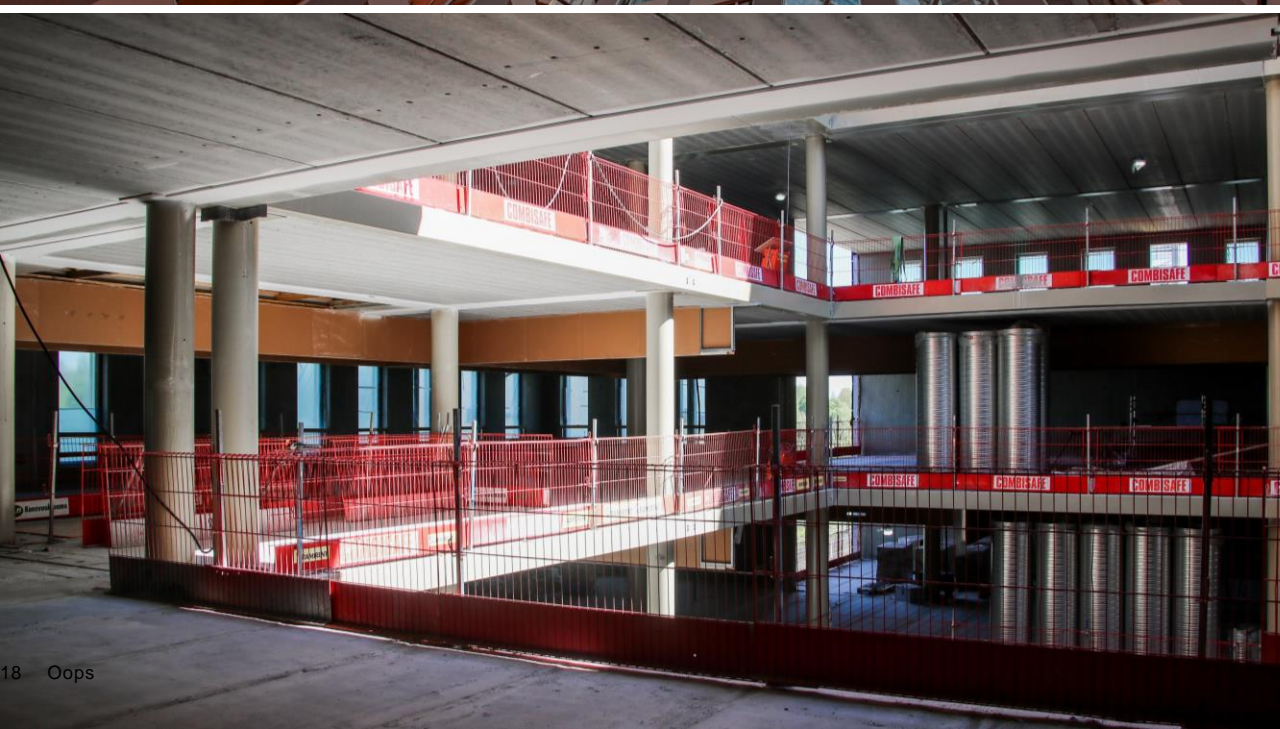
- Price increases and shortages in supply chain evident and difficult to manage but no significant impact on group
- Supply of cement in Sweden – monitoring the situation and preparing for different scenarios in close contact with our suppliers
- Restrictions and sick leave due to Covid-19 – some impact in the start of the year but manageable so far





Susanne Lithander  
CFO

Oops



18 Oops



Oops





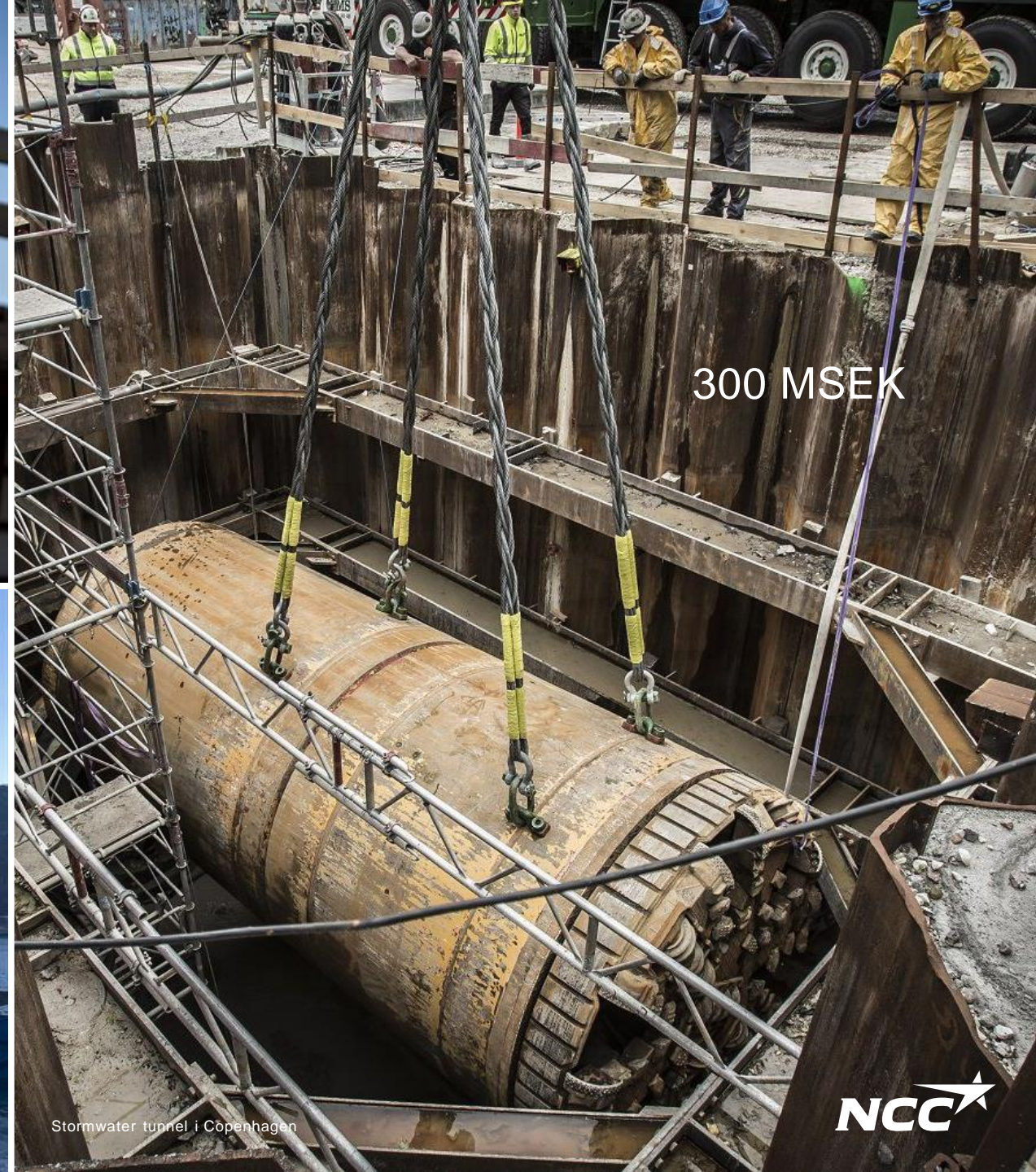
665 MSEK

Bromsten



345 MSEK

Port in Hammerfest, Norway



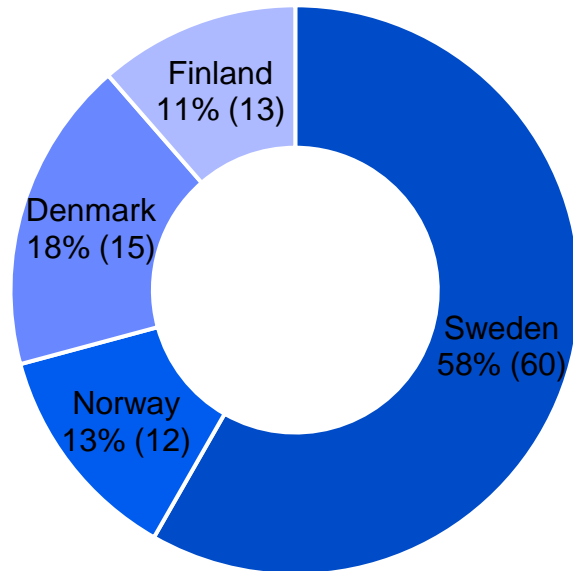
300 MSEK

Stormwater tunnel i Copenhagen

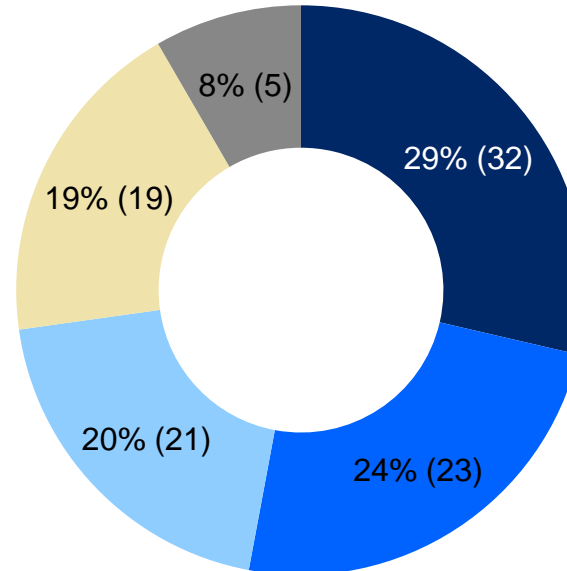


# Business split, 2021

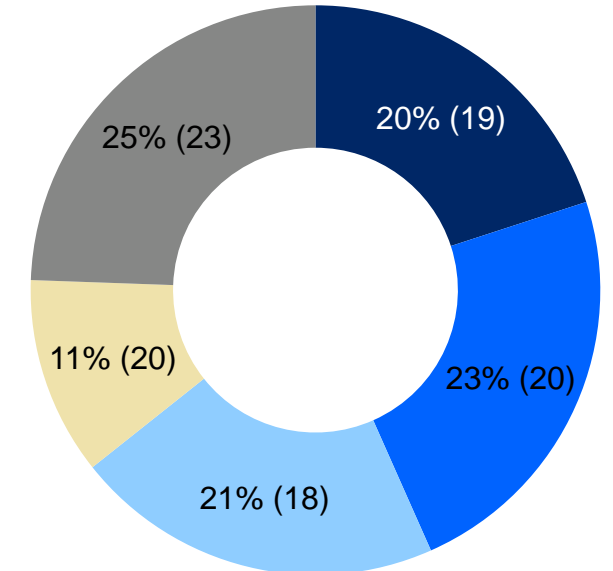
## Net sales per country



## Net sales per business area



## EBIT per business area



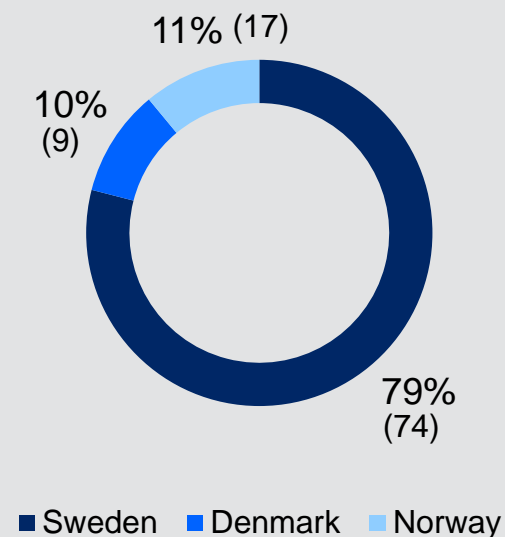
■ Infrastructure 
 ■ Building Sweden 
 ■ Building Nordics 
 ■ Industry 
 ■ Property Development

# NCC Infrastructure

Steadily improving earnings and margin

SEK M	Q4		Jan-Dec	
	2021	2020	2021	2020
Orders received	3,242	2,803	18,377	14,080
Order backlog	18,923	16,200	18,923	16,200
Net sales	4,946	5,185	16,339	18,271
EBIT	115	97	391	357
EBIT margin, %	2.3	1.9	2.4	2.0

Net sales, 2021 (2020)



# NCC Building Sweden

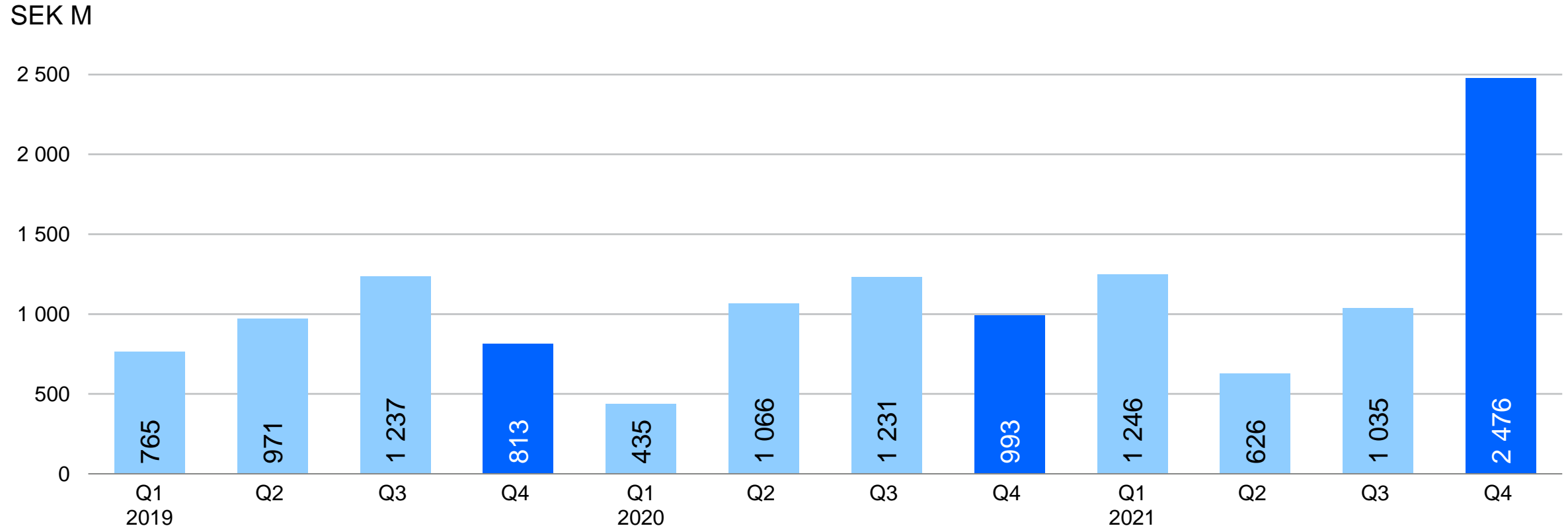
## 20% growth in earnings full year

SEK M	Q4		Jan-Dec	
	2021	2020	2021	2020
Orders received	4,210	3,860	14,369	14,484
Order backlog	18,046	17,670	18,046	17,670
Net sales	4,102	3,792	13,868	13,375
EBIT	137	126	457	381
EBIT margin, %	3.3	3.3	3.3	2.9



# NCC Building Sweden

Residential orders received on high level – 48% rentals 2021



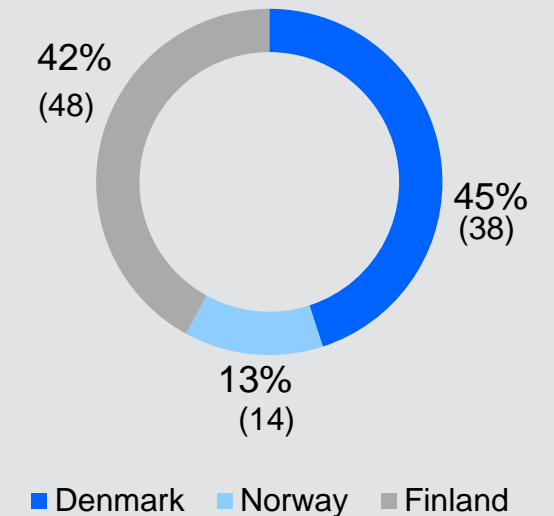
# NCC Building Nordics

20% growth in earnings full year

SEK M	Q4		Jan-Dec	
	2021	2020	2021	2020
Orders received	6,518	5,203	13,297	11,877
Order backlog	17,271	14,856	17,271	14,856
Net sales	3,437	3,342	11,324	12,134
EBIT	172	181*	410	343
EBIT margin, %	5.0	5.4	3.6	2.8

\*2020 included one-time positive impact from Optiplan divestment of 40 MSEK

Net sales, 2021 (2020)

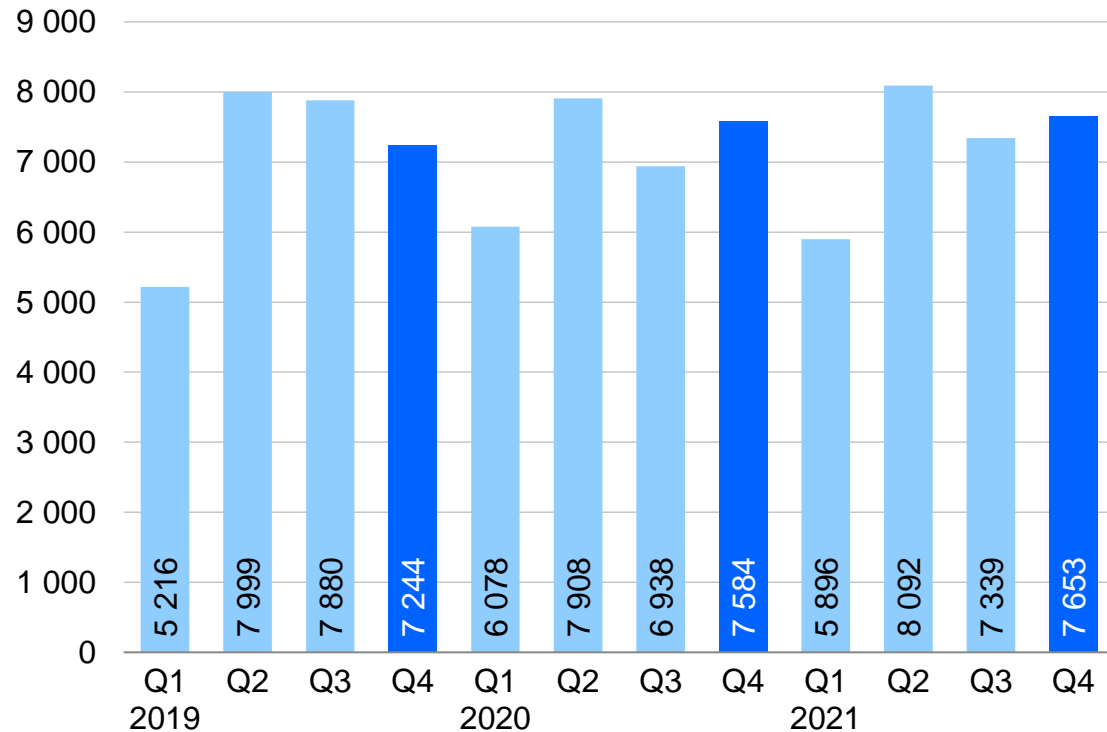




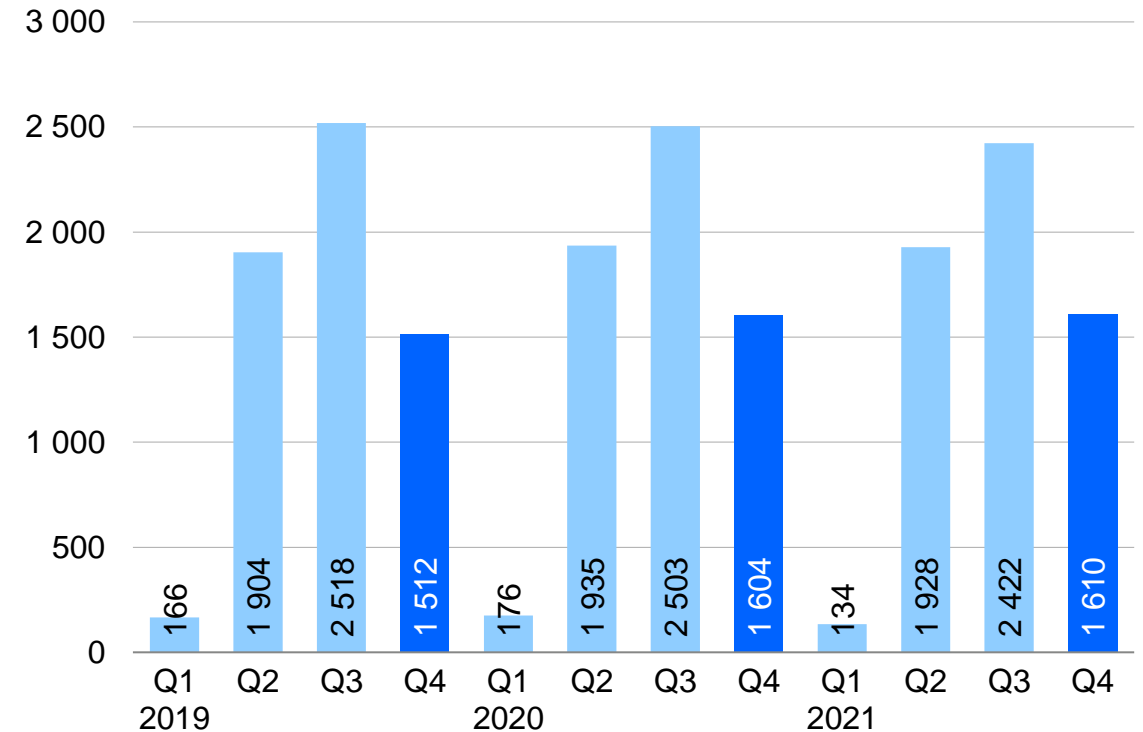
# NCC Industry: Stone and asphalt volumes

Volumes on par with previous years

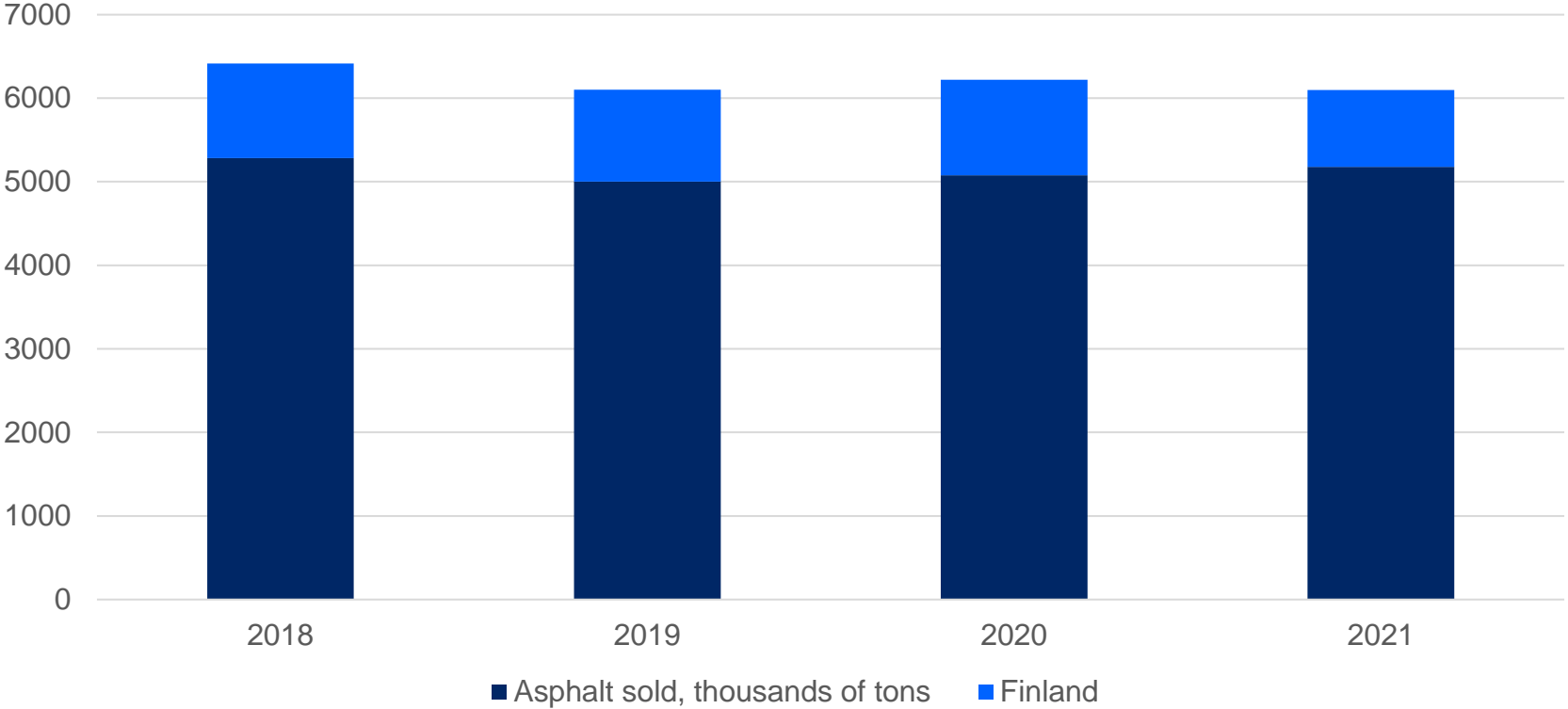
Stone material sold, thousands of tons



Asphalt sold, thousands of tons



# Asphalt Finland approx 15%

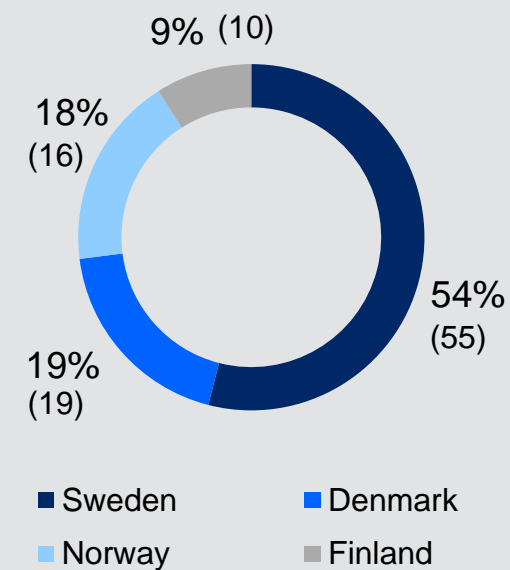


# NCC Industry

Asphalt Finland negative impact – divestment and land sales impact neutral

SEK M	Q4		Jan-Dec	
	2021	2020	2021	2020
Orders received	2,119	2,360	10,297	10,605
Net sales	3,058	3,099	10,755	10,869
EBIT	2	115	220	386
Operating margin %	0.1	3.7	2.0	3.5
ROCE %			4.4	7.8

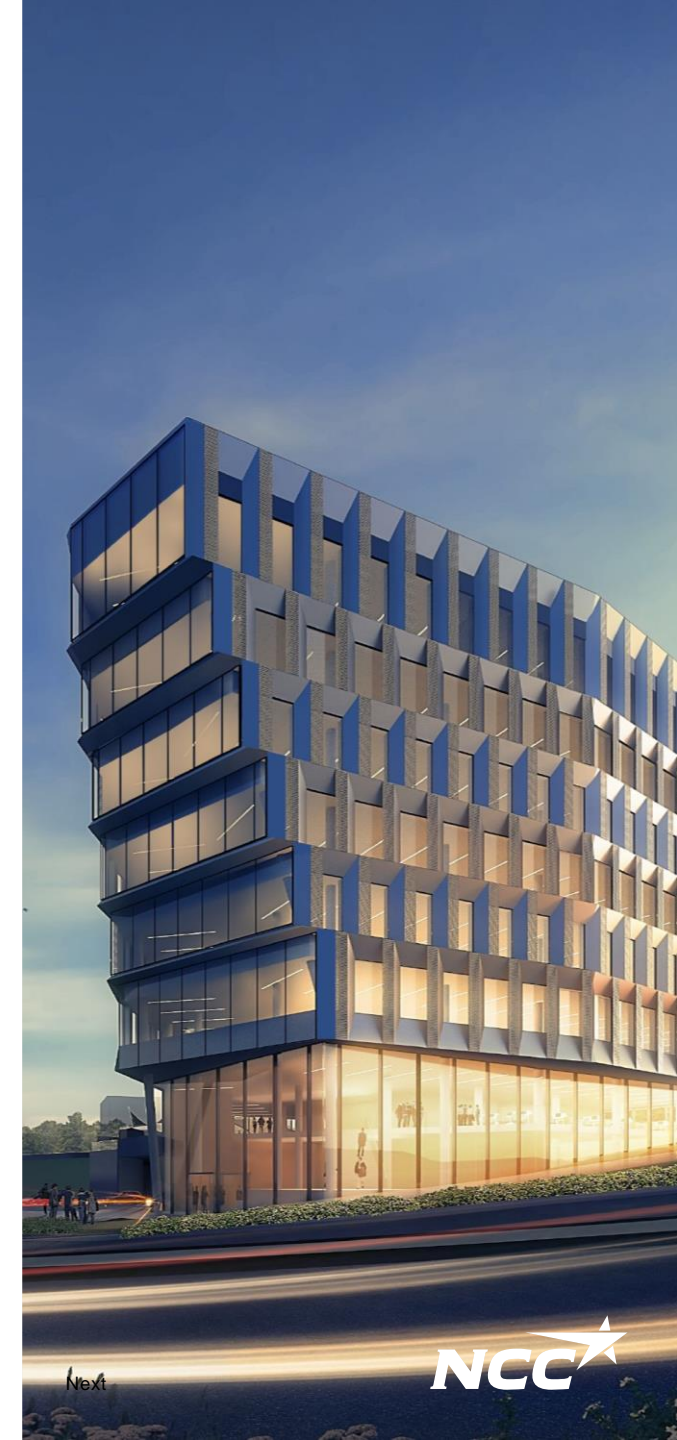
Net sales, 2021 (2020)



# NCC Property Development

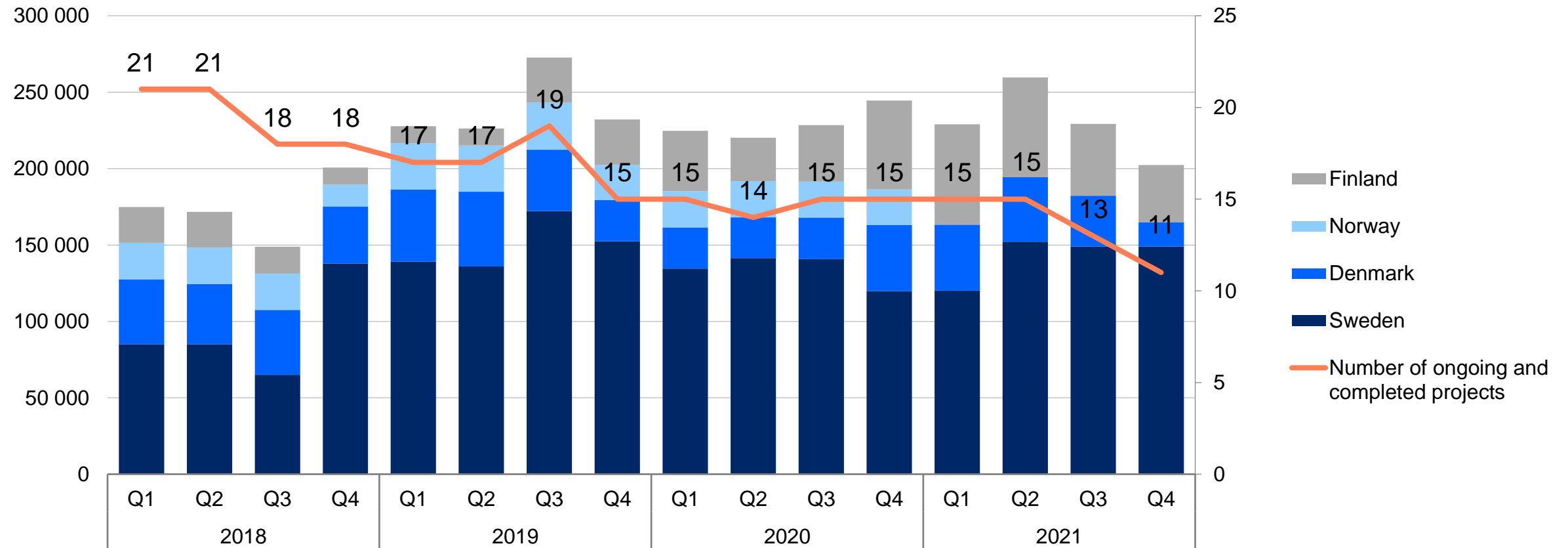
Two projects recognized in profit

SEK M	Q4		Jan-Dec	
	2021	2020	2021	2020
Net sales	1,528	464	4,775	2,737
EBIT	179	54	478	434
Capital employed	6,567	6,433		
EBIT margin %	11.7	11.6	10.0	15.9
ROCE %			7.5	8.0

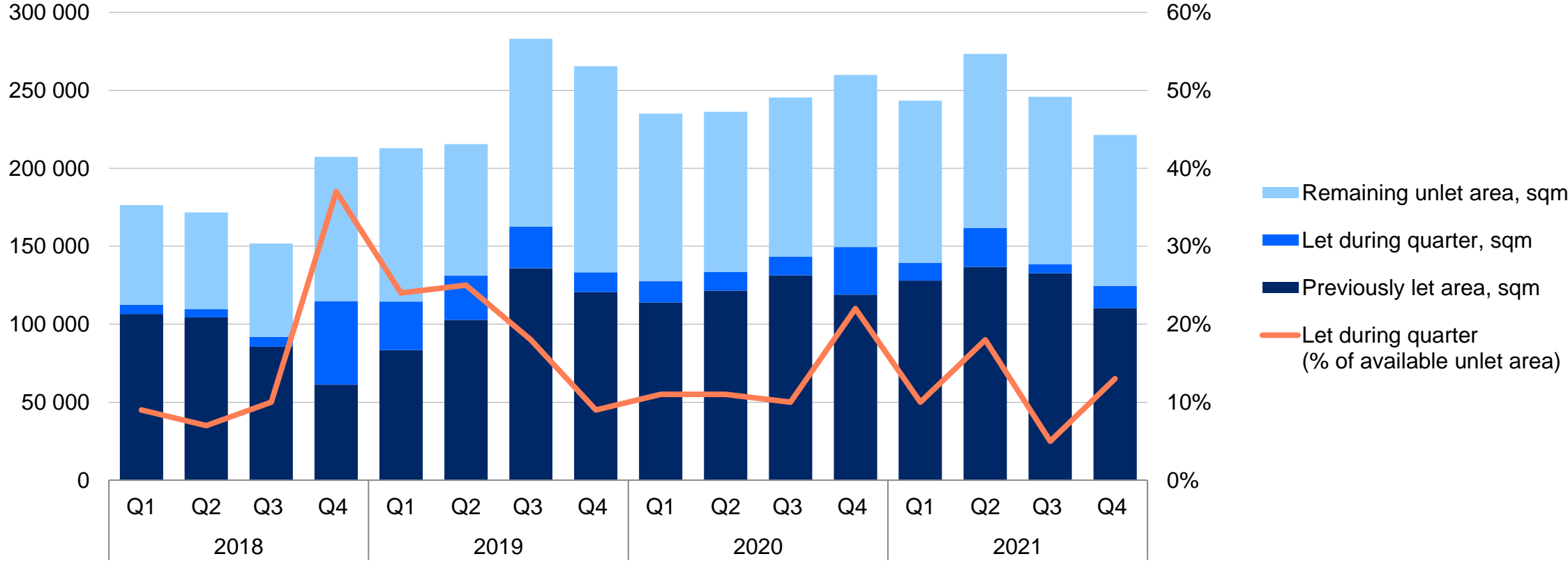


# 11 ongoing projects

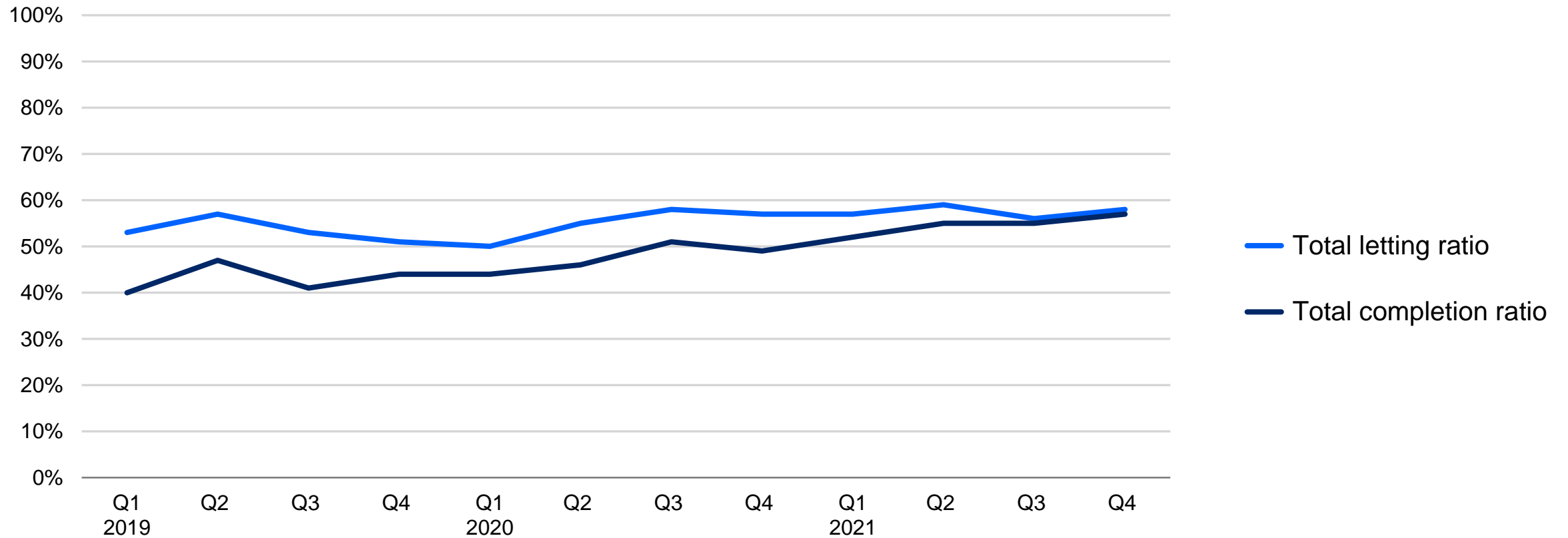
Lettable space in ongoing projects, sqm



# 23 contracts signed in Q4



# Letting and completion status



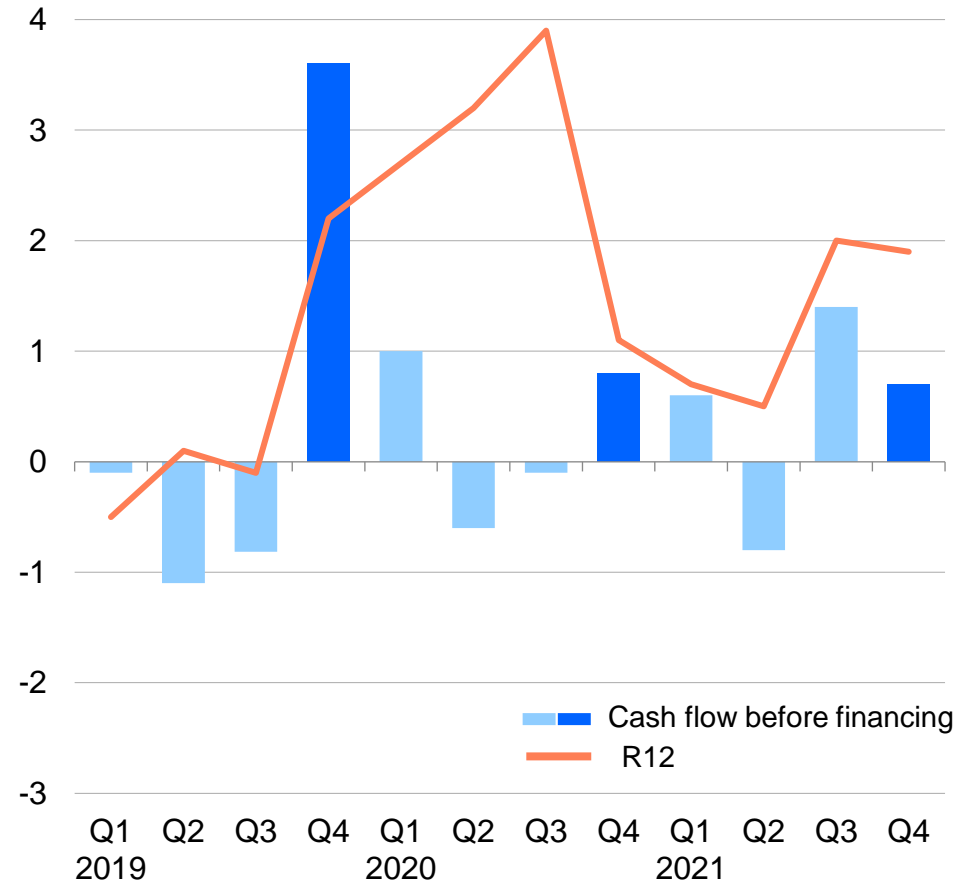
# Earnings

SEK M	Q4		Jan-Dec	
	2021	2020	2021	2020
<b>Earnings in segments (all BAs)</b>	<b>604</b>	<b>573</b>	<b>1,956</b>	<b>1,902</b>
<i>NCC HQ and subsidiaries</i>	33	-93	-49	-168
<i>Internal gains</i>	23	-12	34	-64
<i>Other group adjustments</i>	-45	-55	-107	-235
<i>Road Services</i>	-9	-34	-9	-75
<b>Other &amp; Eliminations total</b>	1	-194	-130	-542
<b>EBIT</b>	<b>605</b>	<b>379</b>	<b>1,825</b>	<b>1,360</b>
Financial items	-28	-20	-60	-80
<b>EBT</b>	<b>577</b>	<b>359</b>	<b>1,765</b>	<b>1,281</b>
Tax	-40	61	-257	-22
<b>Profit for the period</b>	<b>538</b>	<b>420</b>	<b>1,508</b>	<b>1,259</b>



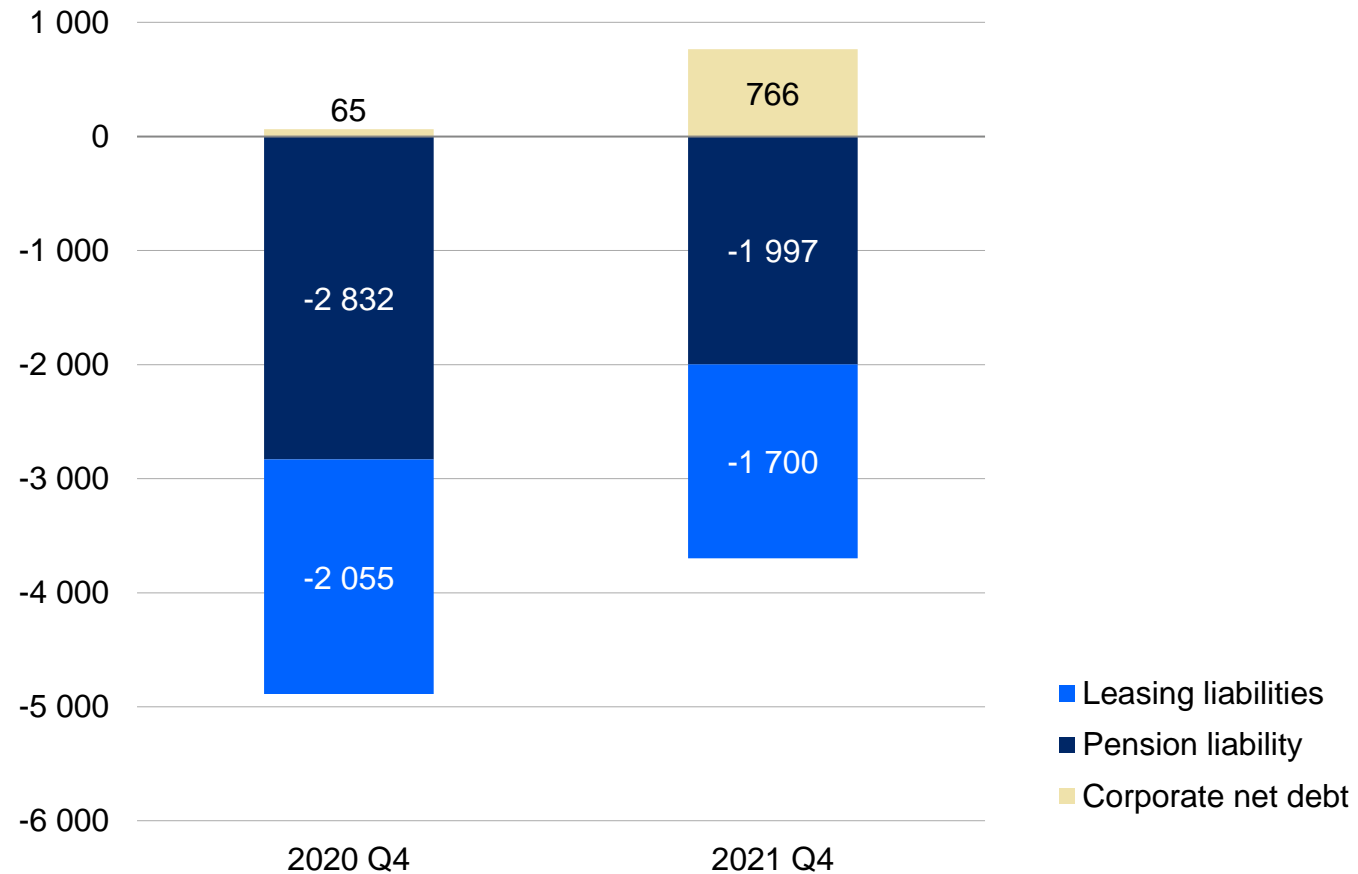
# Strong cashflow

SEK Bn



SEK M	Q4		Jan-Dec	
	2021	2020	2021	2020
From operating activities	975	1,077	2,829	2,657
From property projects	321	-704	198	-1,262
Other working capital	-626	604	-768	174
Investing activities	17	-222	-363	-463
<b>Cash flow before financing</b>	<b>687</b>	<b>756</b>	<b>1,896</b>	<b>1,106</b>

# Net debt per Dec 31, 2021



Net debt* / EBITDA	
Target	< 2.5x
Dec 31, 2021	-0.3x

\*Corporate net debt excluding pension liabilities and leasing liabilities

# Tomas Carlsson

CEO

Park Central



Region City, Gothenburg



NCC's Biodiversity quarry, Lovlisa, close to Helsinki, Finland

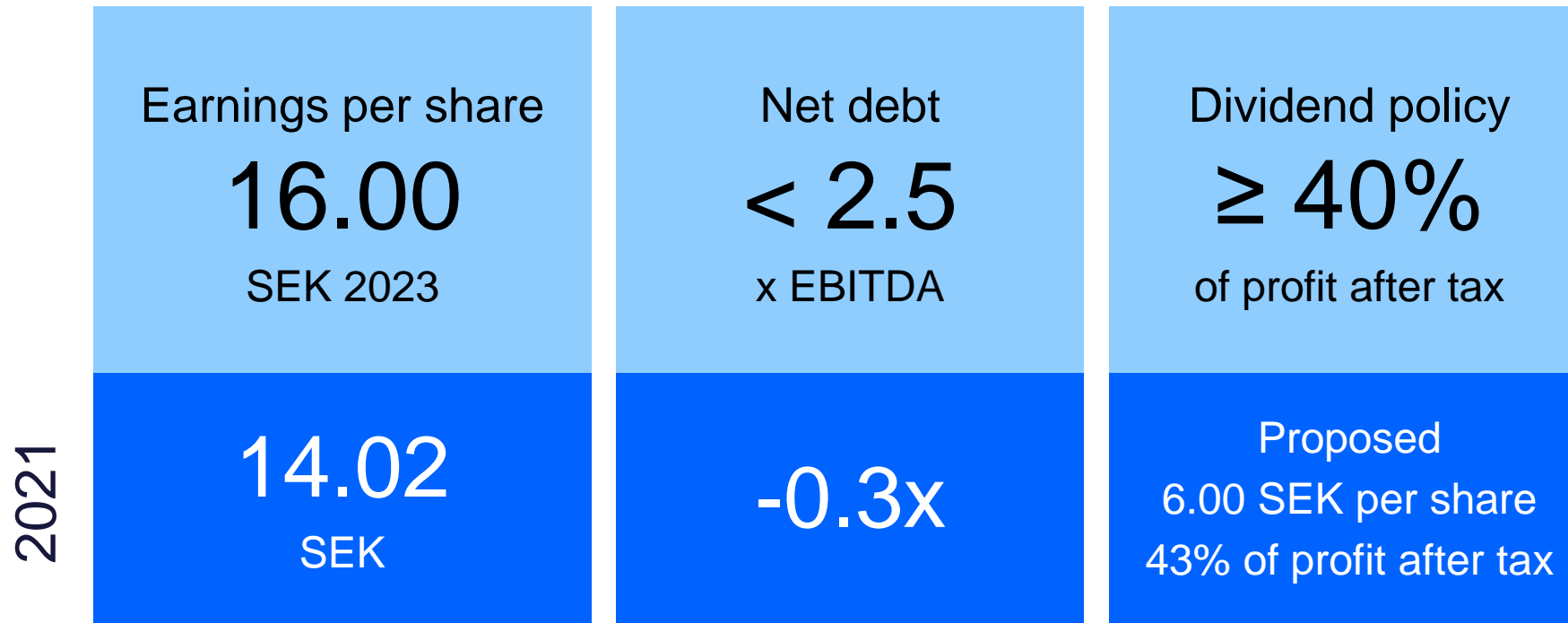
Fredriksberg D sold



Fredriksberg D, Finland

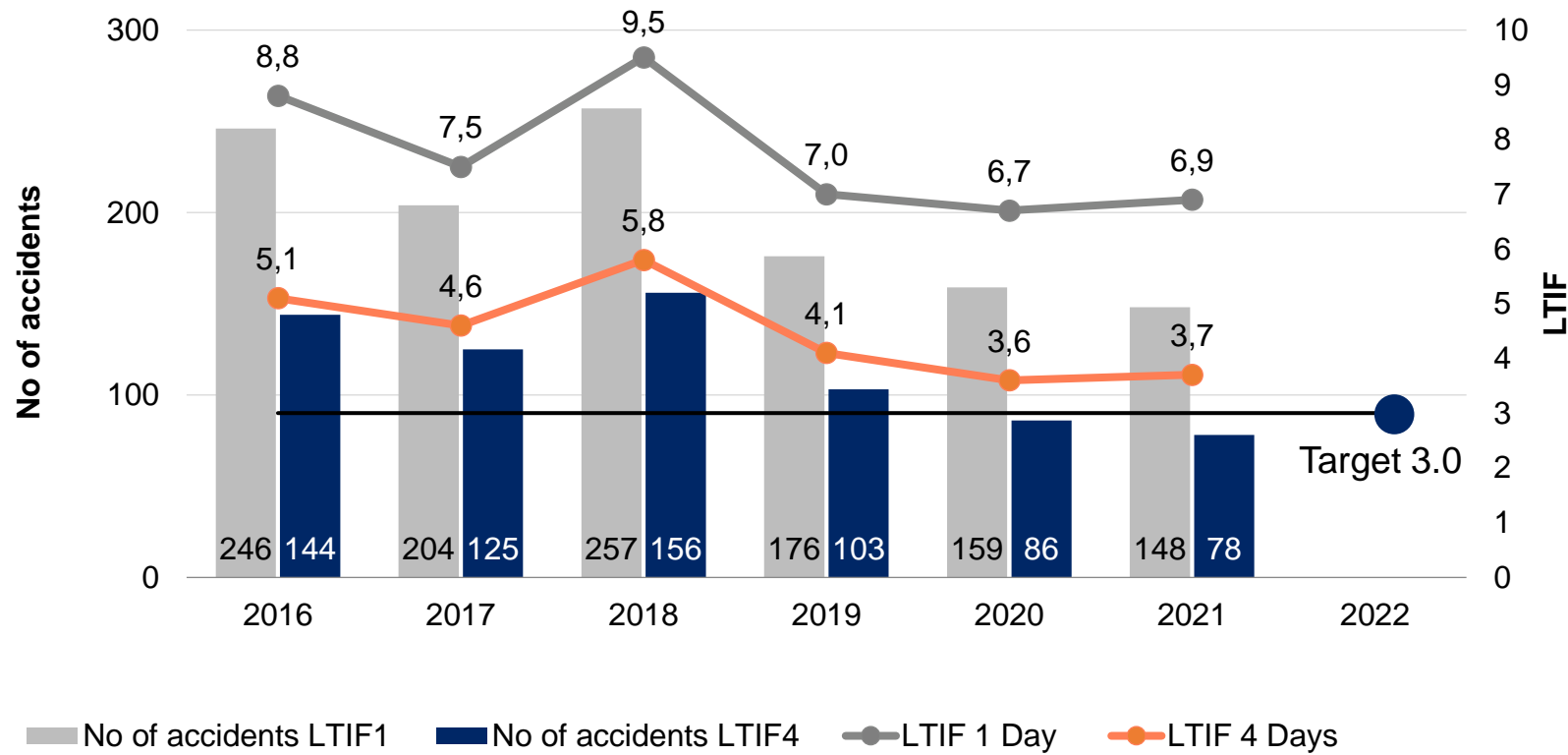


# Financial targets



# Health and Safety targets

Eliminate serious accidents and incidents



## LTIF4

# 3.0

2022

## 3.7

2021

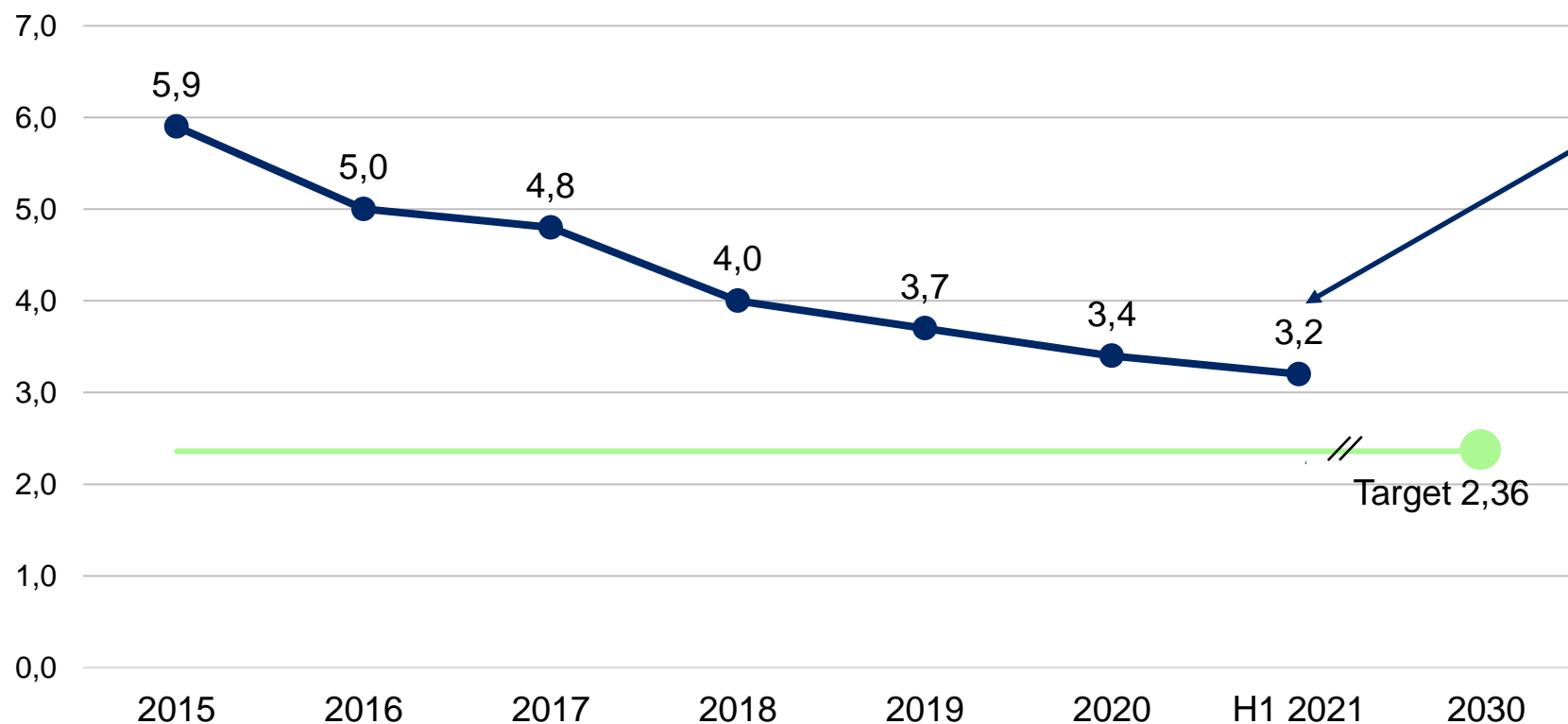


# Climate and Energy targets

Climate neutral 2045, reduction targets for 2030

Reported in Annual Report and Q1 2022 report

Ton CO<sub>2</sub>e per SEK M net sales



Scope 1 and 2, ton CO<sub>2</sub>e per SEK M net sales

**-60%**

**-46%**

June 2021

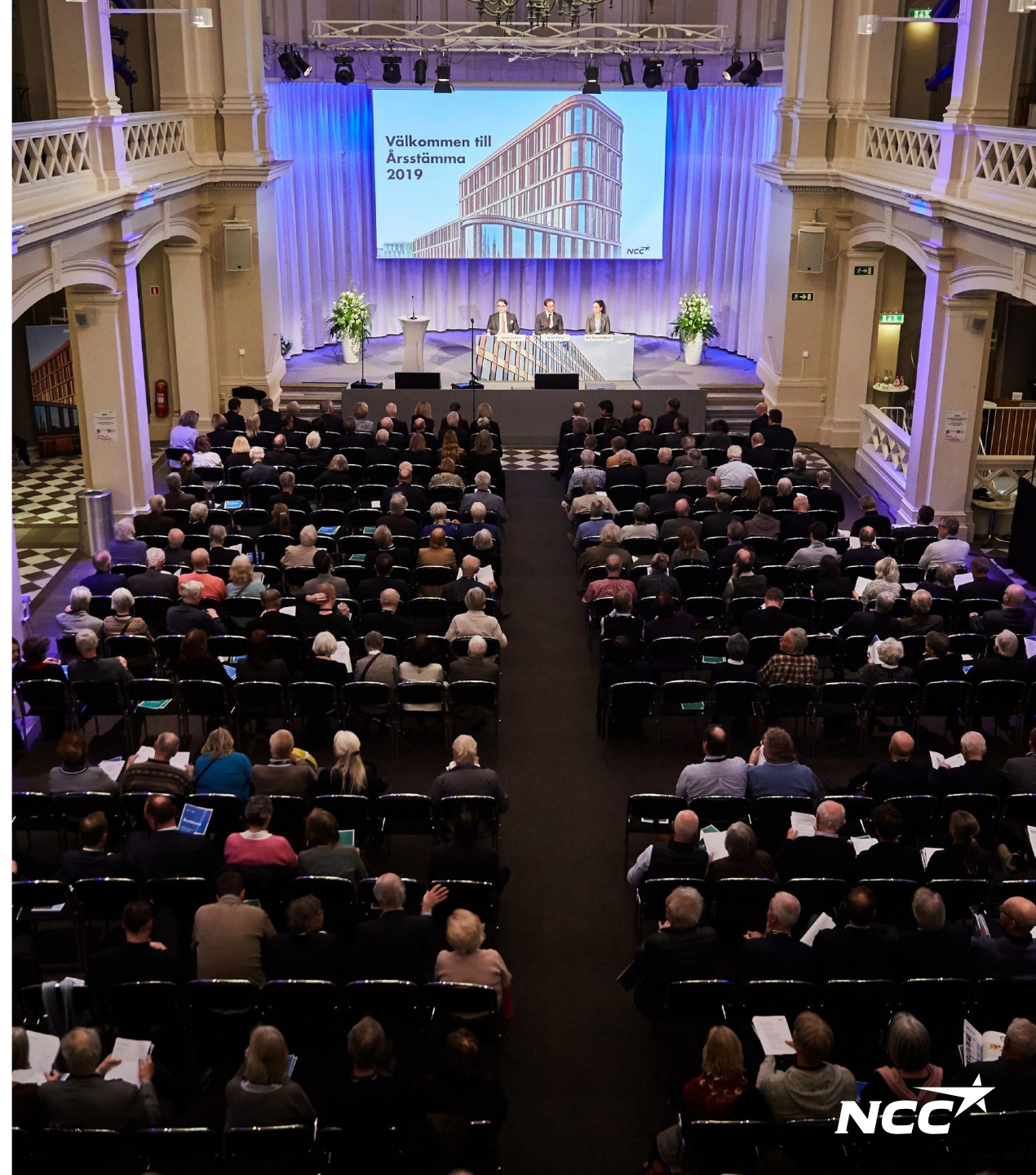
Ton CO<sub>2</sub>e in relation to bought volumes scope 3 contributors. Focus on four main contributors: Concrete, steel, transportation, asphalt

**-50%**

Setting roadmaps. Progress reported from 2021

# Annual General Meeting

- April 5, 2022
- Details confirmed at the latest four weeks before AGM
- Annual report published at the latest on March 15





# 2021 was a good year

- Substantial and consistent earnings improvement
- Strong orders received – with the right projects
- Good demand in all markets
- Good cashflow throughout the year
- Solid financial position



