



A strong quarter

“With strong earnings and cash flow from contracting operations and property sales, NCC continues to advance in a positive direction,” says Tomas Carlsson, President and CEO of NCC.

- Higher operating profit, improved margin and a healthy order backlog in all business areas in the contracting operations
- The Industry business area signed an agreement to sell the loss-making asphalt operations in Finland, which remain a burden on earnings – the business area is otherwise a stable performer
- Three property projects recognized in profit with favorable result
- Strong cash flow from both property sales and other operations and stronger corporate net cash

Third quarter 2021

- Orders received amounted to SEK 8,905 M (9,026)
- Net sales totaled SEK 14,531 M (12,820)
- Operating profit amounted to SEK 877 M (567)
- Profit after financial items totaled SEK 864 M (549)
- Profit after tax was SEK 706 M (488)
- Earnings per share after dilution were SEK 6.56 (4.53)

January–September 2021 period

- Orders received amounted to SEK 39,727 M (37,215)
- Net sales totaled SEK 37,416 M (39,017)
- Operating profit amounted to SEK 1,221 M (981)
- Profit after financial items totaled SEK 1,188 M (922)
- Profit after tax was SEK 971 M (839)
- Earnings per share after dilution were SEK 9.02 (7.78)

Group, SEK M	Q3		Jan-Sep		R12 Oct-Sep	Jan-Dec
	2021	2020	2021	2020	2020/2021	2020
Orders received	8,905	9,026	39,727	37,215	53,711	51,199
Order backlog	54,525	54,821	54,525	54,821	54,525	50,945
Net sales	14,531	12,820	37,416	39,017	52,321	53,922
Operating profit/loss	877	567	1,221	981	1,599	1,360
Operating margin, %	6.0	4.4	3.3	2.5	3.1	2.5
Profit/loss after financial items	864	549	1,188	922	1,547	1,281
Net profit/loss for the period	706	488	971	839	1,391	1,259
Profit/loss per share after dilution, SEK	6.56	4.53	9.02	7.78	12.92	11.68
Cash flow from operating activities	1,421	77	1,592	591	2,569	1,569
Cash flow before financing	1,389	-63	1,211	350	1,967	1,106
Net cash +/-net debt -	-3,247	-5,052	-3,247	-5,052	-3,247	-4,823

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

CEO Tomas Carlsson comments

NCC emerged strongly from the third quarter. Profitability is increasing and operating profit grew significantly year-on-year due to improved earnings in the contracting operations and property projects recognized in profit. We are continuing to improve the business by choosing the right projects, running them in a disciplined manner and developing our way of working.

Demand is healthy in all markets. We noted rising prices for input materials and disruptions in some supply chains, but we have not yet seen any direct impact from this on our operations.

The contracting operations continue to perform well and both operating margin and operating profit increased during the quarter in all three business areas: Infrastructure, Building Sweden and Building Nordics. The order backlog is strong. Orders received were in line with the preceding year.

Within the Industry business area, the asphalt operations in Sweden, Norway and Denmark are stable and the improvement program that was launched a year ago is generating results. The stone materials operations are also stable in all countries. However, earnings were negatively impacted by the asphalt operations in Finland, which have been highly unprofitable for many years, despite major efforts to turn around the result. In October, an agreement was signed for the sale of the operations. This is expected to generate a negative earnings effect in the fourth quarter of SEK 180 M. Throughout 2021, the earnings from the asphalt operations in Finland have declined and it will generate a loss for the remainder of the year. This explains most of the difference in the business area's earnings compared with the preceding year.

Three property projects were recognized in profit in the Property Development business area during the quarter with healthy gains. We have a focused portfolio of office projects in progress and have noted major interest in these in the letting market and among investors. The profit recognitions in the quarter contributed to a very strong cash flow.

We are working to prepare clear and measurable internal plans to work in a structured manner toward our established climate and environment goals. Apart from reducing our own emissions by 60 percent from 2015 (we are at 46 percent today), we are analyzing and making plans to reduce emissions in the value chain. We have assigned priority to four areas: concrete, steel, asphalt and transport. It is clear that cooperation and investments will be necessary throughout the value chain to enable us to achieve these targets.



There are many factors trending in the right direction. That is why it is so unfortunate that the issue currently casting a dark shadow over the entire industry, the supply of cement, is risking toppling or seriously disrupting not only our industry and our customers' plans, but also Sweden's restart following the pandemic and the possibility of actually achieving the climate goals. With 60 percent of NCC's sales in Sweden, this issue is also incredibly important to us.

At the time of writing, no decision has been taken to grant further permit and despite the outcome we have a large uncertainty to handle going forward. We will do everything to meet our customers' requirements and ensure that the wheels don't stop turning, but robust measures from society are required to achieve a stable supply of cement in the short and long term. Sweden needs strict and effective environmental legislation. But it must be predictable and there must be a holistic view of the needs of society to allow us to contribute to the transition and development of society. Over time the dependence on cement must decrease, but it will prevail for the foreseeable future.

We are now doing all we can to, with various measures manage shortages of cement in Sweden. In the rest of the Nordic region, operations continue as previously.

Within NCC, we are following the plan that we established three years ago and are continuing to work to create stable and sustainable profitability, wherever we can generate value and invest for the future.

Tomas Carlsson, President and CEO
Solna, November 2, 2021

Group performance

Third quarter and the January–September 2021 period

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 in other growth regions. 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. There is also substantial interest in property investments.

In the infrastructure area, 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 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. In Sweden the market conditions may be impacted if there is a shortage of cement. See also the risk section on page 13.

Net sales and earnings

Net sales amounted to SEK 14,531 M (12,820) in the third quarter and to SEK 37,416 M (39,017) for the first three quarters. The higher net sales for the quarter primarily derived from Property Development, which recognized three office projects in profit. During the first three quarters of the year, Building Sweden and Property Development increased their net sales, while net sales for Building Nordics and Infrastructure declined. Changes in exchange rates had an impact of SEK -366 M (-475) on sales.

Operating profit was SEK 877 M (567) in the third quarter and SEK 1,221 M (981) in the first three quarters. All business areas apart from Industry improved their operating profit during the quarter. Building Nordics, Building Sweden and Infrastructure improved their operating profit in the January–September period, while operating profit was lower in Industry and Property Development.

Net financial items were SEK -33 M (-60) for the first three quarters. The reduced financing requirement in NOK, combined with lower NOK interest rates and lower interest rates for pension debt and lease liability, had a positive impact on financing costs.

Effective tax

The effective tax rate for the Group amounted to 18.3 percent (9.0) for the period. Since the sales of projects in Property Development are tax-free, there is a positive impact on the effective tax rate.

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

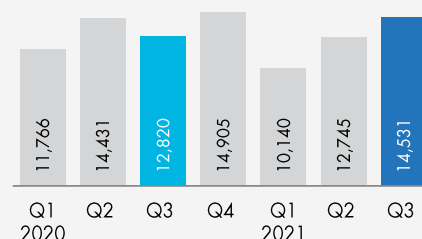
Orders received,
Jan-Sep SEK M

39,727

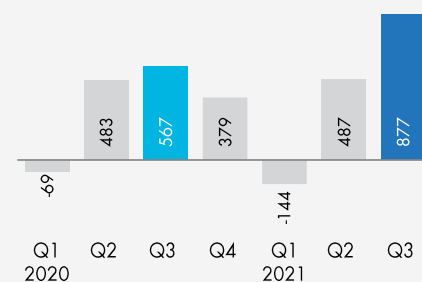
Net sales,
Jan-Sep SEK M

37,416

Net sales, SEK M



Operating profit, SEK M



Cash flow

Cash flow for the quarter before financing was SEK 1,389 M (-63). The cash flow for the January–September period was SEK 1,211 M (350). This positive change was mainly due to the recognition in profit and payment of three projects within Property Development in the third quarter. Both during the quarter and the January–September period, Property Development as well as Building Sweden had significantly better cash flow before financing than during the comparative period.

Total cash and cash equivalents at the end of the period amounted to SEK 2,798 M (2,156).

The Group's net debt at September 30 amounted to SEK -3,247 M (-5,052). The decrease was primarily due to a lower pension debt and a reduction in the company's net debt, but also to reduced lease liability. Excluding lease liability and pension debt, the company's net cash¹ at the end of the period was SEK 500 M (-175). The decrease in corporate net debt was mainly attributable to improved cash flow from property projects.

The Group's total assets amounted to SEK 30,935 M (29,589) at September 30. The increase in total assets of approximately SEK 1.3 billion was essentially due to higher investments in property projects and an increase in other current liabilities.

The average maturity period for interest-bearing liabilities, excluding pension debt and lease liabilities, was 25 months (31) at the end of the quarter. At September 30, 2021, NCC's unutilized committed lines of credit totaled SEK 2.9 billion (3.7), with an average remaining maturity of 13 (13) months.

Capital employed

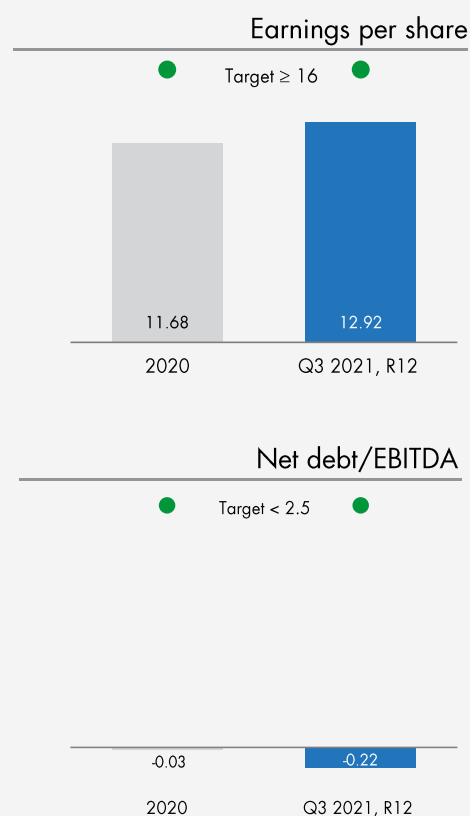
At September 30, 2021, capital employed amounted to SEK 11,495 M (11,404). The return on capital employed was 14 percent (15) during the quarter.

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 12.92 at the end of the third quarter. NCC also had a small net cash balance¹. Accordingly, the recognized net debt/EBITDA amounted to -0.22 times EBITDA.

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 for a dividend of SEK 5.00 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
NCC AB Interim Report Q3, January-September 2021

Health and Safety

Safety is a high priority area at NCC. All levels of the Group have their sights set on completely preventing accidents and incidents that lead to or could lead to serious injury or fatalities. The 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 third quarter, the accident frequency rate was 3.3 on a rolling 12-month basis, which was lower than for full-year 2020, which was 3.6, but slightly higher than in the second quarter.

Climate and Energy

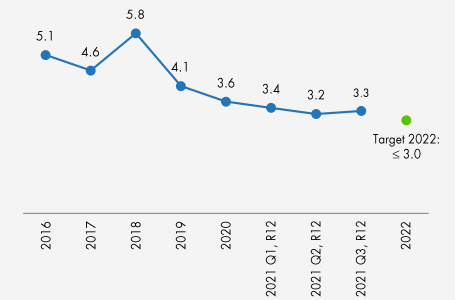
NCC's objective is to be climate-neutral by 2045. As an interim goal, NCC will reduce emissions from its own operations (Scope 1 and 2) by 60 percent by 2030. At mid-year 2021, the emission intensity was 3.2 CO₂e (tons)/SEK M, corresponding to a reduction of 46 percent.

NCC also works to reduce climate emissions in the value chain and has therefore set an interim goal of reducing emissions in the value chain (Scope 3) by 50 percent by 2030 in four prioritized areas: concrete, steel, asphalt and transport.

To achieve these goals, focus is required on many measures at the same time, changed work methods in several areas of the value chain and that the measures are assigned priority where they generate the most benefit. It is also of the utmost importance to base decisions concerning design and product selection on reliable data and this entails major challenges due to the complexity of the supply chain.

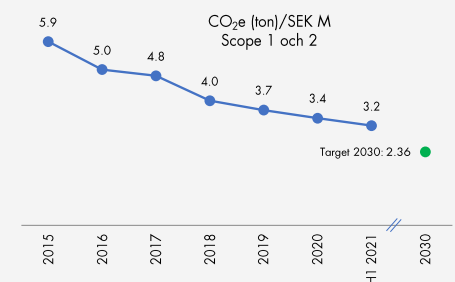
For concrete, steel and asphalt, data for CO₂e/m³ per product will be presented in the 2021 Annual Report. For transport no actual data will be presented in the Annual Report. In this area there are many players of varying sizes and it is important that the action plans for emissions reduction and data collection are inclusive and can advance the climate work for all players, regardless of size. Accordingly, the focus will now be on the preparation of these action plans and processes for data collection, to ensure that they are as accurate and optimized as possible.

Accident frequency rate¹⁾



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

Emission intensity:



Railway construction Venjar-Eidsvoll north of Oslo



NCC is constructing a nine-kilometer dual-track railway between Venjar and Eidsvoll north of Oslo. The project period is 2018–2023. The work is taking place close to existing tracks, where trains pass on average every seventh minute, which places strict demands on planning and worksite safety.

Order status

Third quarter and the January–September 2021 period

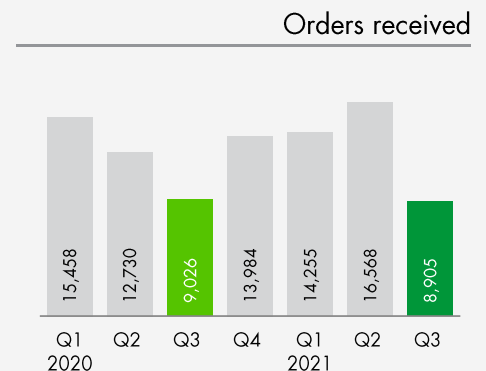
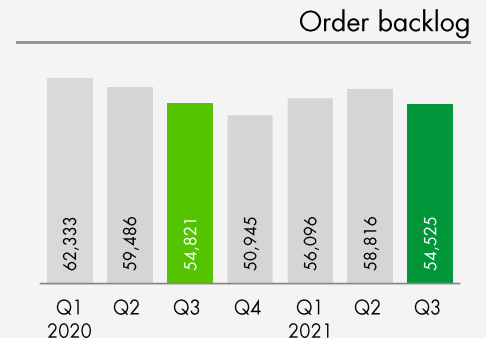
Orders received and order backlog

Orders received in the third quarter amounted to SEK 8,905 M (9,026). Orders received were lower than in the preceding year in Infrastructure and Building Sweden, but higher in Building Nordics and Industry.

Orders received for the January–September period amounted to SEK 39,727 M (37,215). Infrastructure increased orders received in all divisions and drove the increase. The divestment of Road Services impacted comparison with the preceding year in an amount of SEK -937 M during the first three quarters of the year and SEK -222 M for the quarter.

Changes in exchange rates impacted orders received by SEK -303 M (-354).

The Group's order backlog totaled SEK 54,525 M (54,821) at the end of the quarter. The order backlog was higher in Infrastructure, Building Sweden and Building Nordics, but lower in Industry. Changes in exchange rates impacted the order backlog by SEK 408 M (-514).



Examples of orders and contracts during the third quarter

- Building Nordics is to build the Valle Vision office building in Oslo for Union Eiendomskapital. The order value amounts to SEK 500 M.
- Building Nordics is to build a new office building for PensionDanmark in Copenhagen. The order value amounts to SEK 400 M.
- Property Development is to develop the Nova project, an office project in Solna. Building Sweden registered the order and commenced construction work during the quarter.
- NCC Building Sweden is to construct 155 apartments in Danderyd, Stockholm, for Aros Bostad. The order value amounts to SEK 320 M.
- On behalf of the Swedish Transport Administration, Infrastructure is to remodel highway 25 in Småland and make it safer. The order value amounts to SEK 250 M.
- Building Sweden is to build a preschool in Ljungby for Ljungbybostäder. The order value amounts to SEK 240 million.
- Building Sweden is to construct apartments in Älvsjöstad, Stockholm, for Familjebostäder. The order value amounts to SEK 235 M.
- Building Nordics is to construct 91 apartments in Malm for the City of Helsinki. The order value amounts to SEK 150 M.

NCC Infrastructure

Third quarter and the January–September 2021 period

Orders received and order backlog

Orders received amounted to SEK 2,933 M (3,249) in the third quarter. Orders received for the January–September period amounted to SEK 15,135 M (11,278). During the January–September period, orders received increased in all divisions, mostly in the Norwegian operations, including through a contract from Bane NOR of approximately SEK 1.9 billion for the extension of a railway station area in Drammen, but it declined during the third quarter compared with the year-earlier period.

The order backlog was higher than in the preceding year, primarily due to higher orders received in the Norwegian operations, and totaled SEK 20,047 M (18,598).

Net sales and earnings

Net sales were lower and amounted to SEK 3,789 M (4,230) in the third quarter and SEK 11,393 M (13,086) for the first three quarters of the year. The reduced sales are attributable to lower orders received during 2020, combined with the fact that the orders received for the year have not yet resulted in large volumes of new projects.

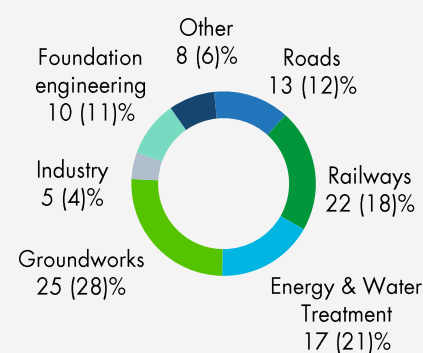
Operating profit improved somewhat and amounted to SEK 123 M (115) in the third quarter and SEK 277 M (260) for the first three quarters. The operating profit improved mainly due to higher margins in projects.

NCC Infrastructure, SEK M	Q3		Jan-Sep		R12 Oct-Sep	Jan-Dec
	2021	2020	2021	2020	2020/2021	2020
Orders received	2,933	3,249	15,135	11,278	17,938	14,080
Order backlog	20,047	18,598	20,047	18,598	20,047	16,200
Net sales	3,789	4,230	11,393	13,086	16,579	18,271
Operating profit/loss	123	115	277	260	374	357
Operating margin, %	3.2	2.7	2.4	2.0	2.3	2.0

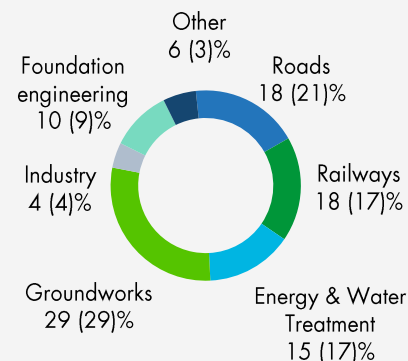
Share of net sales Jan-Sep

29%

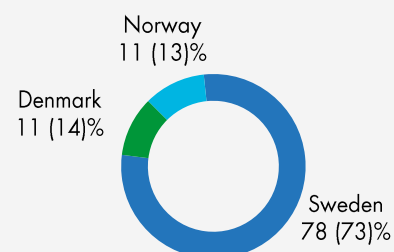
Orders received, Jan-Sep



Net sales Jan-Sep



Net sales Jan-Sep



NCC Building Sweden

Third quarter and the January–September 2021 period

Orders received and order backlog

Orders received amounted to SEK 2,290 M (2,438) in the third quarter and to SEK 10,159 M (10,625) for the January–September period. Residential units accounted for the largest proportion of orders received due to several large orders during the year. Fewer than half of these were rental units. The number of offices was higher year-on-year and accounted for nearly one-fourth of orders received. For public buildings, the comparison for the January–September period was impacted by two large projects in Region Sörmland that were registered among orders in 2020.

The order backlog increased to SEK 17,846 M (17,602) at the end of the quarter.

Net sales and earnings

Net sales increased to SEK 2,990 M (2,735) in the third quarter and to SEK 9,765 M (9,583) for the January–September period. Residential construction and public buildings accounted for more than half of net sales.

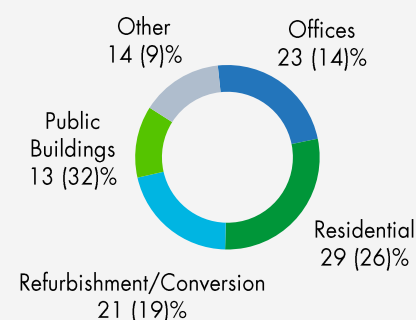
Operating profit increased to SEK 100 M (78) in the third quarter and to SEK 320 M (255) for the January–September period. Year-on-year, earnings were positively impacted by better underlying profitability and higher volumes. Operating margin improved year-on-year for both the quarter and the period.

NCC Building Sweden, SEK M	Q3		Jan-Sep		R12 Oct-Sep	Jan-Dec
	2021	2020	2021	2020	2020/2021	2020
Orders received	2,290	2,438	10,159	10,625	14,018	14,484
Order backlog	17,846	17,602	17,846	17,602	17,846	17,670
Net sales	2,990	2,735	9,765	9,583	13,557	13,375
Operating profit/loss	100	78	320	255	447	381
Operating margin, %	3.4	2.9	3.3	2.7	3.3	2.9

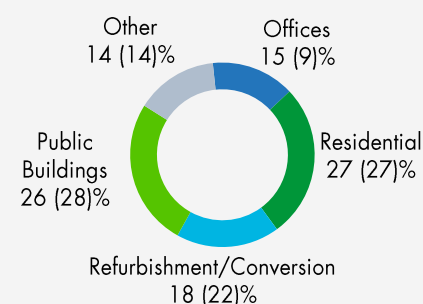
Share of net sales Jan-Sep

24%

Orders received, Jan-Sep



Net sales Jan-Sep



NCC Building Nordics

Third quarter and the January–September 2021 period

Orders received and order backlog

Orders received increased to SEK 1,780 M (1,247) in the third quarter and to SEK 6,779 M (6,674) for the January–September period. The increase in the quarter was attributable to the Norwegian and Danish operations, primarily due to two major orders. The proportion of renovation and refurbishment increased and accounted for nearly a third of the total orders received. The share of public buildings was in line with the preceding year.

The order backlog totaled SEK 14,003 M (13,671) at the end of the quarter.

Net sales and earnings

Net sales amounted to SEK 2,788 M (2,795) in the third quarter and to SEK 7,888 M (8,792) for the January–September period. The decrease during the period compared with the preceding year derived mainly from the Finnish and Norwegian operations. The number of residential units was higher year-on-year and accounted for slightly less than one-third of net sales.

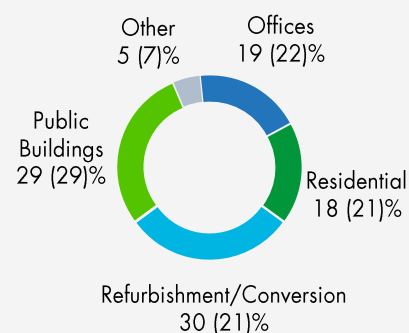
Operating profit amounted to SEK 111 M (50) in the third quarter and to SEK 239 M (162) for the January–September period. Year-on-year, earnings were positively impacted by higher project margins, but negatively impacted by lower sales. Operating margin improved for both the quarter and the January–September period.

NCC Building Nordics, SEK M	Q3		Jan-Sep		R12 Oct-Sep	Jan-Dec
	2021	2020	2021	2020	2020/2021	2020
Orders received	1,780	1,247	6,779	6,674	11,982	11,877
Order backlog	14,003	13,671	14,003	13,671	14,003	14,856
Net sales	2,788	2,795	7,888	8,792	11,230	12,134
Operating profit/loss	111	50	239	162	420	343
Operating margin, %	4.0	1.8	3.0	1.8	3.7	2.8

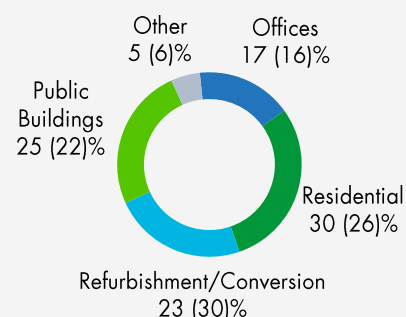
Share of net sales Jan-Sep

20%

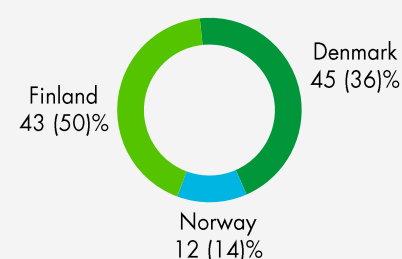
Orders received, Jan-Sep



Net sales Jan-Sep



Net sales Jan-Sep



Third quarter and the January–September 2021 period

Orders received

Orders received amounted to SEK 2,309 M (2,011) in the third quarter and SEK 8,178 M (8,245) for the first three quarters. The asphalt operations' orders received were higher for the quarter, mainly in the Swedish and Norwegian operations. For the January–September period, they were somewhat lower, driven mainly by lower orders received from the Finnish operations. The higher orders received in the Swedish and Danish stone materials operations resulted in higher orders received for the quarter and for the January–September period.

Net sales and earnings

Net sales amounted to SEK 3,769 M (3,706) in the third quarter and to SEK 7,698 M (7,771) for the January–September period. Net sales increased in the Norwegian and Swedish asphalt operations but were lower in the Danish and Finnish units in the quarter and the January–September period. In the stone materials operations, net sales increased in the quarter and in the January–September period, driven by the Swedish and Danish operations.

Operating profit was SEK 273 M (390) in the third quarter and SEK 218 M (270) for the first three quarters of the year. Operating profit for the asphalt operations was negatively impacted by the loss-making operations in Finland. The Finnish asphalt operations had a negative deviation compared with the preceding year of SEK 73 M in the quarter and SEK 94 M for the period in its entirety. The asphalt operations in Finland had an operating loss of SEK 116 M in the January–September period compared to an operating loss of SEK 22 M in the year-earlier period. Otherwise, the difference in the asphalt operation earnings compared with the preceding year comprised variations in volumes, costs for the settlement of disputes and more.

The stone materials operations' operating profit was in line with the preceding year for the quarter, but higher for the January–September period, driven by the Swedish and Danish operations.

During the quarter, NCC signed an agreement to divest the Finnish asphalt operations. See page 13.

Capital employed

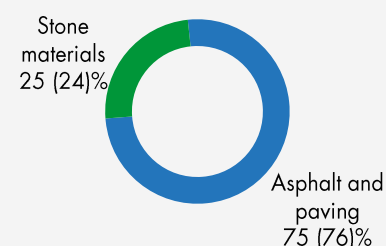
Capital employed rose seasonally compared with the end of 2020 and was somewhat higher year-on-year due to higher working capital.

NCC Industry, SEK M	Q3		Jan-Sep		R12 Oct-Sep	Jan-Dec
	2021	2020	2021	2020	2020/2021	2020
Orders received	2,309	2,011	8,178	8,245	10,537	10,605
Net sales	3,769	3,706	7,698	7,771	10,796	10,869
Operating profit/loss	273	390	218	270	333	386
Operating margin, %	7.2	10.5	2.8	3.5	3.1	3.5
Capital employed	5,474	5,201	5,474	5,201	5,474	4,465
Stone materials tons, sold volume	7,339	6,937	21,323	20,923	28,907	28,508
Asphalt tons, sold volume	2,422	2,505	4,485	4,615	6,089	6,219
Return on capital employed, %					6.5	7.8

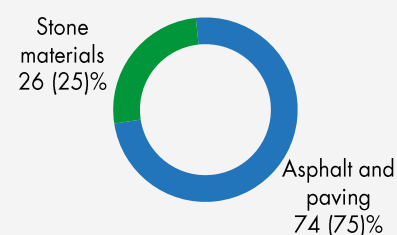
Share of net sales Jan-Sep

19%

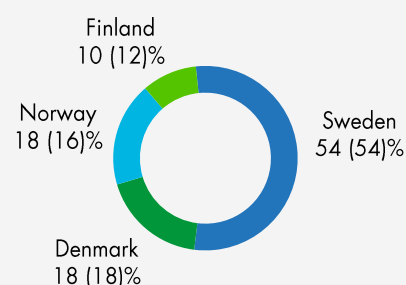
Orders received, Jan-Sep



Net sales Jan-Sep



Net sales Jan-Sep



NCC Property Development

Third quarter and the January–September 2021 period

Net sales and earnings

Net sales amounted to SEK 2,072 M (18) in the third quarter and to SEK 3,247 M (2,274) for the January–September period.

Operating profit was SEK 277 M (-11) in the third quarter and SEK 299 M (380) for the January–September period. In the quarter, three office projects, K11 in Sweden, Omega CH in Denmark and Hatsina Office 1 in Finland, were recognized in profit. No projects were recognized in profit in the third quarter of 2020. In the January–September period, five projects were recognized in profit, compared with three in the year-earlier period.

Property projects

Construction of an office project in Sweden, Nova, commenced during the quarter. Construction on a total of three projects commenced during the January–September period. The MIMO project was divested in the third quarter and is expected to be recognized in profit during the fourth quarter of 2024. Transfer is conditional upon a letting rate of 80 percent.

Letting amounted to 42,500 square meters (37,400) for the January–September period, of which 5,900 (11,900) square meters in the third quarter. During the quarter, a total of six new leases were signed, all of them in Sweden.

At the end of the third quarter, 13 projects (15) were ongoing and not yet recognized in profit. As a result of postponed transfer, the Bettorp project will be recognized in profit in the first quarter of 2022 instead of the fourth quarter of 2021 as communicated earlier. The costs incurred in all projects amounted to SEK 6.4 billion (5.0), corresponding to a total completion rate of 55 percent (51). The leasing rate was 56 percent (58). Operating net amounted to SEK -5 M (-2) in the third quarter and to SEK -1 M (7) for the January–September period.

Capital employed

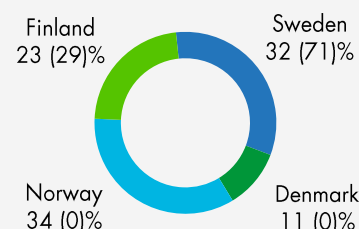
Capital employed amounted to SEK 5,517 M (5,793) at the end of the quarter.

NCC Property Development, SEK M	Q3		Jan-Sep		R12 Oct-Sep	Jan-Dec
	2021	2020	2021	2020	2020/2021	2020
Net sales	2,072	18	3,247	2,274	3,711	2,737
Operating profit/loss	277	-11	299	380	353	434
Capital employed	5,517	5,793	5,517	5,793	5,517	6,433
Operating margin, %	13.4	-58.5	9.2	16.7	9.5	15.9
Return on capital employed, %					5.9	8.0

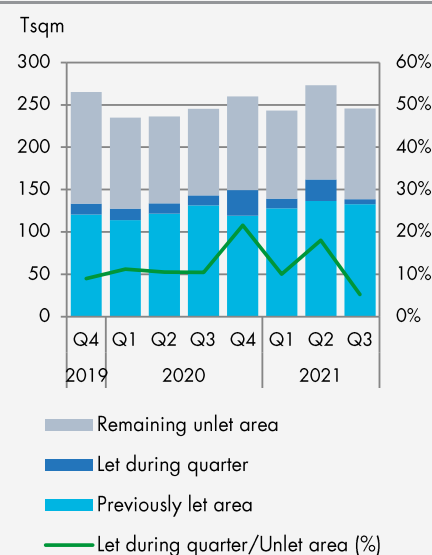
Share of net sales Jan-Sep

8%

Net sales Jan-Sep

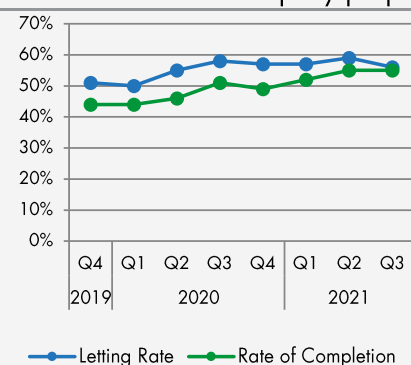


Letting¹⁾



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

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	87	17 400	75
Kontorværket 1	Office	Copenhagen		25	15 900	100
Total Denmark				58	33 300	88
Fredriksberg D	Office	Helsinki		60	8 500	98
Next	Office	Espoo	Q4 2021	83	10 000	100
Kulma21	Office	Helsinki		45	7 200	5
We Land	Office	Helsinki		20	21 300	22
Total Finland				43	47 000	47
Bromma Blocks	Office	Stockholm		79	51 900	57
Kineum Gårda ²	Office	Gothenburg	Q4 2022	76	21 300	86
Brick Studios	Office	Gothenburg		55	16 200	60
Våghuset	Office	Gothenburg		55	11 100	59
MIMO ³	Office	Gothenburg	Q4 2024	23	31 800	31
Nbva	Office	Solna		11	9 800	0
Bettorp ⁴	Other	Örebro	Q1 2022	75	6 900	100
Total Sweden				60	149 000	54
Total				55	229 300	56

1) The table refers to ongoing property projects that have not yet been recognized in profit. In addition to these projects, NCC also focuses on rental (rental guarantees /additional purchase) in fourteen previously sold and profit recognized property projects, a maximum of approximately SEK 133 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.

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

4) The transfer of the property has been postponed, therefore, Project Bettorp will be recognized in the income statement during the first quarter of 2022 instead of in the fourth quarter of 2021 as previously communicated.

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.

This description also includes the risk of pandemics, such as the coronavirus pandemic. It 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 has resulted in longer decision-making processes.

One of the risks described in NCC's Annual Report is supplier risks. In July, the Land and Environment Court announced that it had rejected the Cementa company's application for a continued permit to extract limestone on Gotland. A temporary law has since given Cementa the opportunity to apply for a new shorter permit, but at the time this report is issued the government has not taken any decision regarding this. Cementa is Sweden's largest supplier of cement to the concrete industry. If Cementa were to completely cease its operations, it would have significant consequences for all of the Swedish construction industry, including NCC, since shortages would arise. Cementa has advised that they will apply a quota system. NCC is monitoring the situation and working to identify and assess the consequences in close cooperation with other stakeholders and with action plans for different scenarios. It is today not possible to quantify potential impact since there are significant uncertainties

Related-party transactions

Related parties are NCC's subsidiaries, associated companies and joint arrangements. Related-company sales in the third quarter amounted to SEK 11 M (9) and purchases to SEK 7 M (13). For the January–September period, sales amounted to SEK 25 M (23) and purchases to SEK 10 M (13).

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 841,072 Series B treasury shares to meet its obligations pursuant to long-term incentive programs.

Dividend

In accordance with the Annual General Meeting's resolution, the record date for the second payment of the dividend of SEK 2.50 per share is November 9, 2021.

Reporting occasions and financial calendar

Q4 and Year-end report 2021	February 2, 2022
Annual General Meeting	April 5, 2022
Q1	April 28, 2022
Q2 and Jan–Jun July	19, 2022
Q3 and Jan–Sep	November 1, 2022

The Annual Report for 2021 will be published not later than March 15, 2022.

Events after the close of the period

Divestment of asphalt operations in Finland

NCC signed an agreement on the sale of the asphalt operations in Finland to the Finnish company Asfaltikallio. The transaction is expected to be closed at year-end and is anticipated to have a negative impact on the operating result in Industry in the fourth quarter of approximately SEK 180 M, mainly deriving from items not impacting cash flow; book value, guarantees, contractual obligations and from transaction costs. See also press release from October 4, 2021.

Repayment of pension funds

In the fourth quarter, NCC will receive a nonrecurring repayment of pension funds, which is expected to have a positive impact on operating profit of SEK 160 M. See also press release from October 4, 2021.

Auditor's review report

Introduction

NCC AB (publ), Corp. Reg. No. 556034-5174

We have reviewed the condensed interim financial information (interim report) for NCC AB (publ) for September 30, 2021 and the nine-month period then ended. The Board of Directors and the President are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 Review of Interim Financial Statements Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Stockholm, November 2, 2021

PricewaterhouseCoopers AB

Ann-Christine Hägglund

Authorized Public Accountant

Auditor in Charge

Erik Bergh

Authorized Public Accountant

CONDENSED CONSOLIDATED INCOME STATEMENT

SEK M	Note 1	Q3		Jan-Sep		R12 Oct-Sep	Jan-Dec
		2021	2020	2021	2020	2020/2021	2020
Net sales		14,531	12,820	37,416	39,017	52,321	53,922
Production costs	Note 2, 3	-13,018	-11,653	-34,136	-35,972	-47,753	-49,589
Gross profit		1,513	1,167	3,280	3,045	4,569	4,333
Selling and administrative expenses	Note 2, 3	-614	-603	-2,073	-2,069	-2,970	-2,967
Other operating income/expenses	Note 3	-23	3	13	5	2	-6
Operating profit/loss		877	567	1,221	981	1,599	1,360
Financial income		3	6	18	28	21	30
Financial expense ¹⁾		-16	-24	-50	-88	-73	-110
Net financial items		-13	-19	-33	-60	-53	-80
Profit/loss after financial items		864	549	1,188	922	1,547	1,281
Tax		-158	-61	-217	-83	-157	-22
Net profit/ loss		706	488	971	839	1,391	1,259
Attributable to:							
NCC's shareholders		706	488	971	839	1,391	1,259
Net profit/loss for the period		706	488	971	839	1,391	1,259
Earnings per share							
Before and after dilution							
Net profit/loss for the period, SEK		6.56	4.53	9.02	7.78	12.92	11.68
Number of shares, millions							
Total number of issued shares		108.4	108.4	108.4	108.4	108.4	108.4
Average number of shares outstanding before and after dilution during the period		107.6	107.7	107.6	107.8	107.6	107.8
Number of shares outstanding at the end of the period		107.6	107.7	107.6	107.7	107.6	107.7

¹⁾ Whereof interest expenses for the period October-September 2020/2021, SEK 46 M (106) and Jan-Dec 20, SEK 91 M.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK M	Note 1	Q3		Jan-Sep		R12 Oct-Sep	Jan-Dec
		2021	2020	2021	2020	2020/2021	2020
Net profit/loss for the period		706	488	971	839	1 391	1 259
Items that have been recycled or should be recycled to net profit/loss for the period							
Exchange differences on translating foreign operations		20	9	59	-17	-51	-127
Cash flow hedges		5	9	50		58	8
Income tax relating to items that have been or should be recycled to net profit/loss for the period		-1	-2	-10		-12	-2
		24	16	99	-17	-4	-121
Items that cannot be recycled to net profit/loss for the period							
Revaluation of defined benefit pension plans		247	322	915	177	849	111
Income tax relating to items that can not be recycled to net profit/loss for the period		-51	-69	-188	-38	-174	-23
		196	253	726	139	676	88
Other comprehensive income		221	269	825	122	671	-32
Total comprehensive income		927	757	1 796	961	2 062	1 226
Attributable to:							
NCC's shareholders		927	757	1 796	961	2 062	1 226
Total comprehensive income		927	757	1 796	961	2 062	1 226

CONDENSED CONSOLIDATED BALANCE SHEET

SEK M	Note 1	Sep 30 2021	Sep 30 2020	Dec 31 2020
ASSETS				
Goodwill		1,833	1,856	1,800
Other intangible assets		321	345	342
Right-of-use assets	Note 4	1,652	2,025	1,952
Owner-occupied properties		842	870	875
Machinery and equipment		2,398	2,472	2,306
Long-term holdings of securities		89	114	93
Long-term interest-bearing receivables		122	93	125
Other long-term receivables		31	27	19
Deferred tax assets		667	702	587
Total fixed assets		7,957	8,505	8,099
Right-of-use assets	Note 4	2	30	11
Properties held for future development		1,015	1,525	1,492
Ongoing property projects		5,775	4,452	4,610
Completed property projects			4	496
Participations in associated companies		330	294	295
Materials and inventories		1,114	1,041	953
Tax receivables		204	256	58
Accounts receivable		7,896	7,398	7,084
Worked-up, non-invoiced revenues		2,324	2,215	1,349
Prepaid expenses and accrued income		1,041	1,017	907
Current interest-bearing receivables		97	118	126
Other receivables		383	577	740
Short-term investments ¹⁾		102	184	174
Cash and cash equivalents		2,696	1,972	2,155
Total current assets		22,978	21,083	20,450
Total assets		30,935	29,589	28,549
EQUITY				
Shareholders' equity		5,231	3,985	3,972
Total shareholders' equity		5,231	3,985	3,972
LIABILITIES				
Long-term interest-bearing liabilities		2,713	3,833	3,965
Other long-term liabilities		64	78	60
Provisions for pensions and similar obligations		1,999	2,738	2,832
Deferred tax liabilities		659	459	196
Other provisions		2,486	2,607	2,586
Total long-term liabilities		7,921	9,714	9,639
Current interest-bearing liabilities		1,552	849	606
Accounts payable		4,756	4,512	4,487
Tax liabilities		17	13	66
Invoiced revenues not worked-up		5,331	5,688	4,104
Accrued expenses and prepaid income		3,306	3,287	3,727
Provisions		19	13	19
Other current liabilities		2,802	1,529	1,930
Total current liabilities		17,783	15,890	14,938
Total liabilities		25,704	25,604	24,577
Total shareholders' equity and liabilities		30,935	29,589	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	Sep 30 2021		Sep 30 2020	
	Shareholders' equity	Total shareholders' equity	Shareholders' equity	Total shareholders' equity
Opening balance, January 1 st	3,972	3,972	3,044	3,044
Total comprehensive income	1,796	1,796	961	961
Dividend	-538	-538		
Sale/Acquisition of treasury shares	-13	-13	-34	-34
Performance based incentive program	13	13	14	14
Closing balance	5,231	5,231	3,985	3,985

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

SEK M	Q3		Jan-Sep		R12 Oct-Sep	Jan-Dec
	2021	2020	2021	2020	2020/2021	2020
OPERATING ACTIVITIES						
Operating profit/loss	877	567	1,221	981	1,599	1,360
Adjustments for items not included in cash flow	336	325	879	1,002	1,440	1,564
Interest paid and received	-13	-19	-39	-60	-58	-79
Taxes paid	-52	-82	-206	-345	-49	-188
Cash flow from operating activities before changes in working capital	1,147	792	1,854	1,579	2,931	2,657
Divestment of property projects	1,559	-44	2,559	1,683	2,968	2,092
Gross investments in property projects	-900	-551	-2,679	-2,241	-3,792	-3,353
Cash flow from property projects	659	-595	-120	-558	-824	-1,262
Other changes in working capital	-385	-121	-142	-430	462	174
Cash flow from changes in working capital	274	-714	-262	-987	-363	-1,088
Cash flow from operating activities	1,421	77	1,592	591	2,569	1,569
INVESTING ACTIVITIES						
Acquisition/Sale of subsidiaries and other holdings	87	2	67	11	71	15
Acquisition/Sale of tangible fixed assets	-112	-131	-412	-236	-632	-456
Acquisition/Sale of other fixed assets	-7	-10	-36	-16	-42	-22
Cash flow from investing activities	-33	-140	-380	-241	-602	-463
Cash flow before financing	1,389	-63	1,211	350	1,967	1,106
FINANCING ACTIVITIES						
Cash flow from financing activities	-131	-191	-672	-754	-1,240	-1,322
Cash flow during the period	1,257	-254	539	-404	727	-217
Cash and cash equivalents at beginning of period	1,438	2,231	2,155	2,416	1,972	2,416
Effects of exchange rate changes on cash and cash equivalents	1	-5	1	-39	-4	-44
Cash and cash equivalents at end of period	2,696	1,972	2,696	1,972	2,696	2,155
Short-term investments due later than three months	102	184	102	184	102	174
Total liquid assets at end of period	2,798	2,156	2,798	2,156	2,798	2,330

CONDENSED CONSOLIDATED NET DEBT

	Jan-Sep		R 12 Oct-Sep	Jan-Dec
	2021	2020	2020/2021	2020
Net debt, SEK M				
Net debt, opening balance	-4,823	-4,489	-5,052	-4,489
- Cash flow from operating activities	1,592	591	2,569	1,569
- Cash flow from investing activities	-380	-241	-602	-463
Cash flow before financing	1,211	350	1,968	1,106
Change of provisions for pensions	833	102	739	8
Change in leasing debt	-188	-942	-346	-1,100
Paid dividend	-269		-538	-269
Acquisition/Sale of treasury shares	-13	-34	-13	-34
Currency exchange differences in cash and cash equivalents	1	-39	-4	-44
Net cash + /net debt - closing balance	-3,247	-5,052	-3,247	-4,823
- Whereof provisions for pensions	-1,999	-2,738	-1,999	-2,832
- Whereof leasing debt	-1,748	-2,139	-1,748	-2,055
- Whereof other net cash/net debt	500	-175	500	64

PARENT COMPANY CONDENSED INCOME STATEMENT

SEK M	Note 1	Q3		Jan-Sep		R 12 Oct-Sep	Jan-Dec
		2021	2020	2021	2020	2020/2021	2020
Net sales		11	12	30	43	128	140
Selling and administrative expenses		-53	-58	-155	-190	-228	-263
Operating profit		-42	-45	-125	-147	-100	-123
Result from participations in Group companies		100	100	1,127	1,154	1,030	1,057
Result from other financial fixed assets				12	10	17	14
Result from financial current assets				1	3	1	3
Interest expense and similar items		-5	-5	-17	-24	-23	-30
Result after financial items		53	50	998	995	925	921
Appropriations						153	153
Tax		10	10	29	36	13	20
Net profit/loss for the period		62	60	1,027	1,031	1,091	1,095

The Parent Company consists primarily of head office functions. Net sales pertain to charges to Group companies. The average number of employees was 51 (52).

PARENT COMPANY CONDENSED BALANCE SHEET

SEK M	Note 1	Sep 30 2021	Sep 30 2020	Dec 31 2020
ASSETS				
Financial fixed assets		4 649	4 572	4 600
Total fixed assets		4 649	4 572	4 600
Current receivables		119	310	859
Treasury balances in NCC Treasury AB		969	508	259
Total current assets		1 089	818	1 119
Total assets		5 738	5 391	5 719
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity		4 566	4 294	4 080
Provisions		6	6	6
Long term liabilities		646	608	804
Current liabilities		520	483	829
Total shareholders' equity and liabilities		5 738	5 391	5 719

Total 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	Q3		Jan-Sep		R12 Oct-Sep	Jan-Dec
	2021	2020	2021	2020	2020/2021	2020
Other intangible assets	-12	-19	-34	-47	-62	-75
Owner-occupied properties ¹⁾	-83	-91	-240	-259	-325	-344
Machinery and equipment ²⁾	-229	-241	-705	-733	-965	-993
Total depreciation	-324	-351	-980	-1 038	-1 353	-1 412

¹⁾ Of which depreciation of right-of-use assets SEK 199 M (219)

²⁾ Of which depreciation of right-of-use assets SEK 296 M (324)

NOTE 3. IMPAIRMENT LOSSES

SEK M	Q3		Jan-Sep		R12 Oct-Sep	Jan-Dec
	2021	2020	2021	2020	2020/2021	2020
Properties held for future development			-2		-2	
Owner-occupied properties	-19		-19	-9	-19	-8
Machinery and equipment			4		-12	-16
Total impairment losses	-20	0	-17	-9	-33	-24

NOTE 4. RIGHT-OF-USE ASSETS

SEK M	Sep 30 2021	Sep 30 2020	Dec 31 2020
Owner-occupied properties	938	1,072	1,043
Machinery and equipment	714	952	909
Land leases	2	30	11
Total right-of-use assets	1,654	2,054	1,963

NOT 5. SEGMENT REPORTING

SEK M

Q3 2021	NCC	NCC	NCC	NCC	NCC Property	Total segments	Other and eliminations ¹⁾	Group
	Infrastructure	Building Sweden	Building Nbrdics	Industry	Development			
Net sales, external	3,669	2,709	2,411	3,575	2,068	14,433	98	14,531
Net sales, internal	120	281	377	194	4	975	-975	
Net sales, total	3,789	2,990	2,788	3,769	2,072	15,408	-877	14,531
Operating profit	123	100	111	273	277	884	-7	877
Net financial items								-13
Profit/loss after financial items								864

Q3 2020	NCC	NCC	NCC	NCC	NCC Property	Total segments	Other and eliminations ¹⁾	Group
	Infrastructure	Building Sweden	Building Nbrdics	Industry	Development			
Net sales, external	3,975	2,393	2,463	3,518	16	12,364	456	12,820
Net sales, internal	255	342	332	188	2	1,118	-1,118	
Net sales, total	4,230	2,735	2,795	3,706	18	13,484	-664	12,820
Operating profit	115	78	50	390	-11	623	-56	567
Net financial items								-19
Profit/loss after financial items								549

January - September 2021	NCC	NCC	NCC	NCC	NCC Property	Total segments	Other and eliminations ²⁾	Group
	Infrastructure	Building Sweden	Building Nbrdics	Industry	Development			
Net sales, external	10,892	8,752	6,813	7,271	3,241	36,969	447	37,416
Net sales, internal	501	1,014	1,075	427	6	3,022	-3,022	
Net sales, total	11,393	9,765	7,888	7,698	3,247	39,991	-2,575	37,416
Operating profit	277	320	239	218	299	1,353	-131	1,221
Net financial items								-33
Profit/loss after financial items								1,188

January - September 2020	NCC	NCC	NCC	NCC	NCC Property	Total segments	Other and eliminations ²⁾	Group
	Infrastructure	Building Sweden	Building Nbrdics	Industry	Development			
Net sales, external	12,325	8,502	7,807	7,217	2,266	38,117	900	39,017
Net sales, internal	761	1,081	985	554	8	3,390	-3,390	
Net sales, total	13,086	9,583	8,792	7,771	2,274	41,506	-2,489	39,017
Operating profit	260	255	162	270	380	1,329	-347	981
Net financial items								-60
Profit/loss after financial items								922

¹⁾ The figures for the quarter include among others NCC's head office and results from small subsidiaries and associated companies, totalling SEK -18 M (-17). Further, the figures for the quarter includes eliminations of internal profits of SEK 43 M (-35) and other Group adjustments, mainly consisting of differences of accounting policy between the segments and the Group, totalling SEK -23 M (-7). 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 SEK -10 M (-31).

²⁾ The figures for the period include among others NCC's head office and results from small subsidiaries and associated companies, totalling SEK -81M (-75). Further, the figures includes eliminations of internal profits amounting of SEK 12 M (-52) and other Group adjustments, mainly consisting of differences of accounting policy between the segments and the Group, totalling SEK -61M (-180). These items primarily correspond to pensions and in 2020 also leasing, when the rules on sale and leaseback are applied. Road Services is included with SEK 0 M (-41).

Geographical areas

SEK M	Net sales		Orders received	
	Jan-Sep			
	2021	2020	2021	2020
Sweden	22,124	22,967	24,604	24,504
Denmark	6,212	5,585	5,249	5,214
Norway	4,934	4,921	6,233	3,667
Finland	4,146	5,544	3,642	3,830
Total	37,416	39,017	39,727	37,215

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	Sep 30 2021				Sep 30 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	10			10	83			83	104			104
Derivative instruments		8		8		77		77		10		10
Derivative instruments used in hedge accounting		32		32		11		11		9		9
Financial assets measured at fair value through other comprehensive income												
Equity instruments			68	68			68	68			68	68
Total assets	10	40	68	118	83	88	68	239	104	19	68	191
Financial liabilities measured at fair value through profit and loss												
Derivative instruments		23		23		3		3		39		39
Derivative instruments used in hedge accounting		6		6		28		28		32		32
Total liabilities	0	29	0	29	0	31	0	31	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	Sep 30 2021		Sep 30 2020		Dec 31 2020	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Long-term interest-bearing receivables - amortized cost	122	122	93	94	125	126
Short-term investments - amortized cost	91	91	101	101	70	70
Long-term interest-bearing liabilities	2,713	2,717	3,833	3,809	3,965	3,946
Current interest-bearing liabilities	1,552	1,552	849	849	606	606

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	Sep 30 2021	Sep 30 2020	Dec 31 2020
Assets pledged	463	539	537
Contingent liabilities and guarantee obligations ¹⁾	265	270	251
Parent company			
Contingent liabilities and guarantee obligations ¹⁾	22,514	21,150	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

	Q3	Q3	R12 Oct-Sep	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⁾	32	41	32	37	32	-18	17	18	19
Return on shareholders equity, % incl profit from dividend of Bonava ^{1) 5)}	32	41	32	37	32	-18	17	18	118
Return on capital employed, % excl profit from dividend of Bonava ¹⁾	14	15	14	12	13	-9	12	13	13
Return on capital employed, % incl profit from dividend of Bonava ^{1) 5)}	14	15	14	12	13	-9	12	13	63
Financial ratios at period-end									
EBITDA % excl profit from dividend of Bonava	8.4	7.2	5.7	5.2	4.7	0.8	3.3	3.6	4.7
EBITDA % incl profit from dividend of Bonava ⁵⁾	8.4	7.2	5.7	5.2	4.7	0.8	3.3	3.6	17.0
Interest-coverage ratio, times excl profit from dividend of Bonava ¹⁾	22.3	13.6	22.3	12.7	9.1	-6.0	8.5	9.8	6.6
Interest-coverage ratio, times incl profit from dividend of Bonava ^{1) 5)}	22.3	13.6	22.3	12.7	9.1	-6.0	8.5	9.8	31.1
Equity/asset ratio, %	17	13	17	14	10	11	19	20	22
Interest bearing liabilities/total assets, %	20	25	20	26	25	17	15	15	16
Net cash +/- net debt -, SEK M	-3,247	-5,052	-3,247	-4,823	-4,489	-3,045	-149	-149	-222
Debt/equity ratio, times	0.6	1.3	0.6	1.2	1.5	1.0			
Capital employed at period end, SEK M	11,495	11,404	11,495	11,375	10,382	7,619	9,174	9,523	9,585
Capital employed, average	11,300	11,258	11,300	10,983	9,936	8,780	9,138	9,418	13,474
Capital turnover rate, times ¹⁾	4.6	5.1	4.6	4.9	5.9	6.5	6.0	5.8	4.1
Closing interest rate, % ⁶⁾	1.1	1.1	1.1	1.1	1.1	1.3	2.0	2.0	2.6
Average period of fixed interest, years	0.6	0.9	0.6	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	6.56	4.53	12.92	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⁾	6.56	4.53	12.92	11.68	8.09	-7.00	8.07	9.29	73.81
Cash flow from operating activities, before and after dilution, SEK	13.21	0.71	23.87	14.56	20.50	-3.47	19.97	19.97	10.88
Cash flow before financing, before and after dilution, SEK	12.90	-0.58	18.28	10.26	14.01	-10.71	12.59	12.59	-0.05
P/E ratio excl profit from dividend Bonava ¹⁾	11	14	11	13	19	-20	19	17	19
P/E ratio incl profit from dividend Bonava ^{1) 5)}	11	14	11	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, %			3.6	3.3	1.6	2.9	5.1	5.1	3.5
Shareholders' equity before and after dilution, SEK	48.62	37.01	48.62	36.89	28.21	27.13	47.81	51.04	51.39
Share price/shareholders' equity, %	284	442	284	407	543	508	329	308	439
Share price at period-end, NCC B, SEK	138.20	163.70	138.20	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	0.8	0.8	0.8	0.5	0.4	0.4	0.4	0.4
Total number of shares outstanding at period-end before dilution	107.6	107.7	107.6	107.7	107.9	108.0	108.1	108.1	108.1
Average number of shares outstanding before and after dilution during the period	107.6	107.7	107.6	107.8	108.0	108.1	108.1	108.1	108.1
Market capitalization before dilution, SEK M ⁴⁾	14,893	17,623	14,893	16,144	16,548	14,896	16,997	16,997	24,325
Personnel									
Average number of employees	13,204	14,768	13,204	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 15.

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 -31 M 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 November 2, 2021 at 07.10 a.m. CET.

Invitation to presentation of the Interim Report for the January-September 2021 period

NCC's President and CEO Tomas Carlsson and CFO Susanne Lithander will present the interim report in a webcast and teleconference on November 2 at 9:00 a.m. (CET). The presentation will be held in English.



Presentation material will be available at www.ncc.se/ir from approximately 8.00 a.m. (CET).

Link to webcast: <https://ncc-live-external.creo.se/211102>

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 8 566 427 06
UK: +44 333 300 92 64
US: +1 646 722 49 03

Financial calendar

Q4 and Jan–Dec 2021	February 2, 2022
Annual General Meeting 2021	April 5, 2022
Interim report Q1 2022	April 28, 2022



For further information, please contact:

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