

# Q3 2024



Tomas Carlsson, CEO

Susanne Lithander, CFO

October 25, 2024

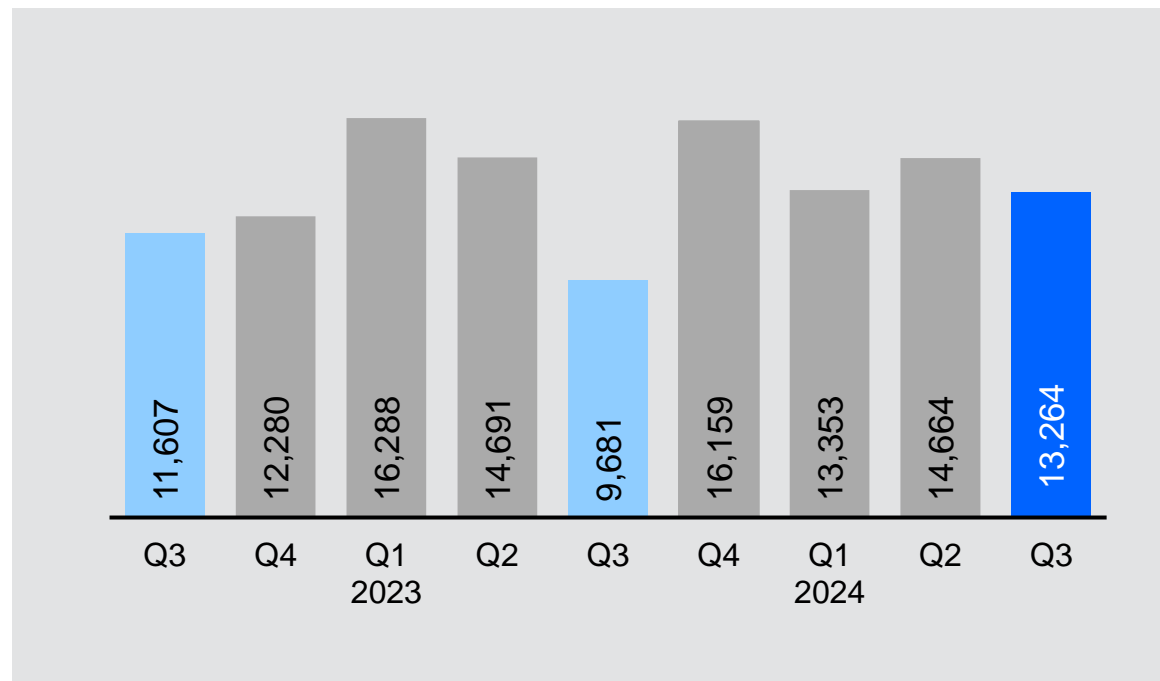




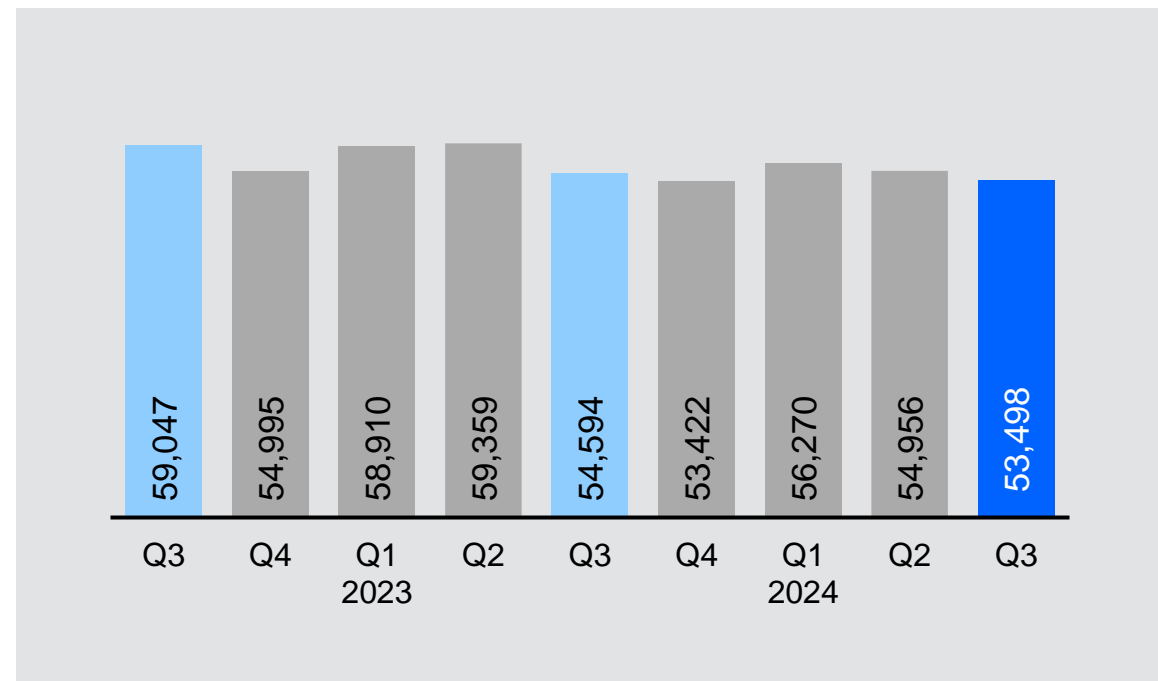
Q3  
2024



Orders received, SEK M



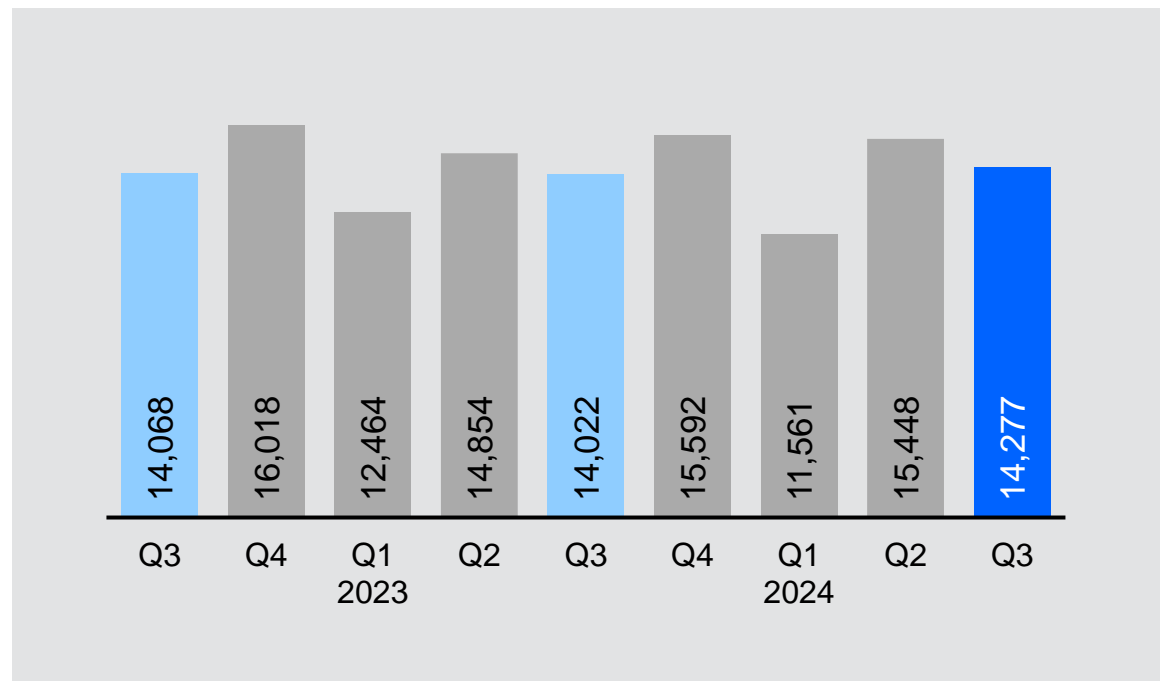
Order backlog, SEK M



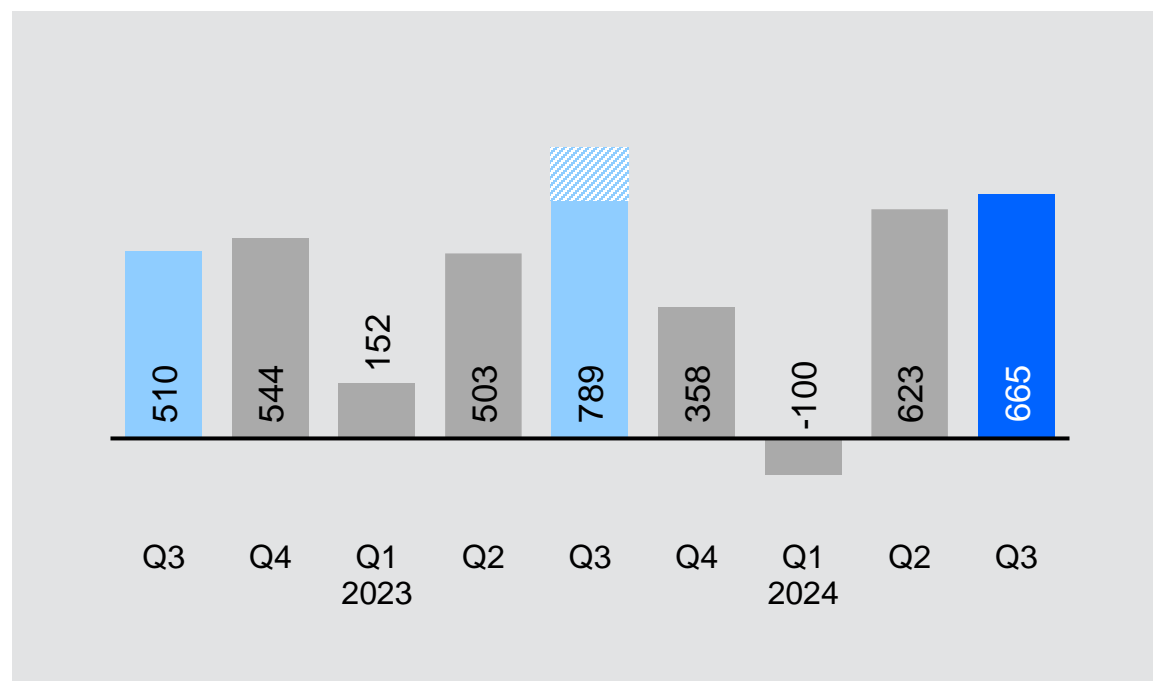
Q3  
2024



Net sales, SEK M



Operating profit, SEK M





# ◆ Tomas Carlsson



# A stable third quarter

Earnings increased compared to last year  
(adjusted for capital gains 2023)



Increased orders received – stable order backlog  
Book-to-bill 1.0

Continued positive market outlook

Continued improvements for Industry

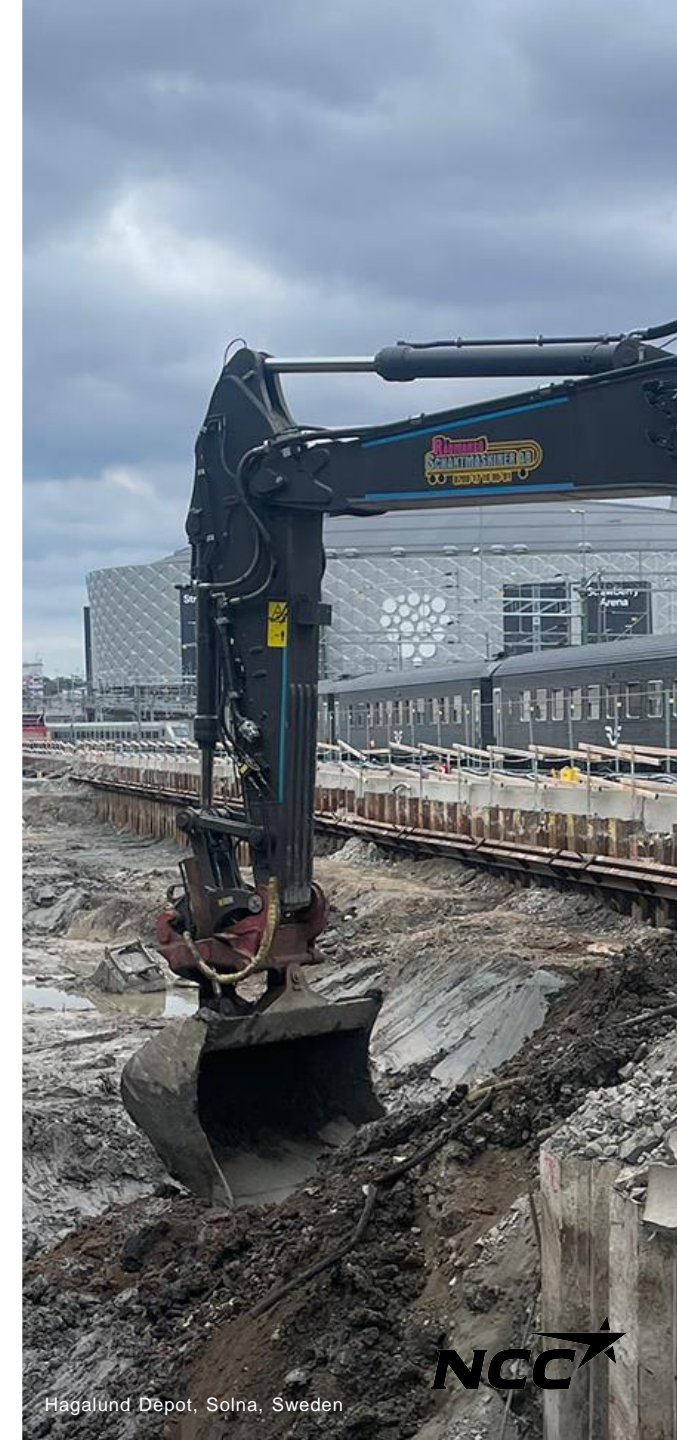
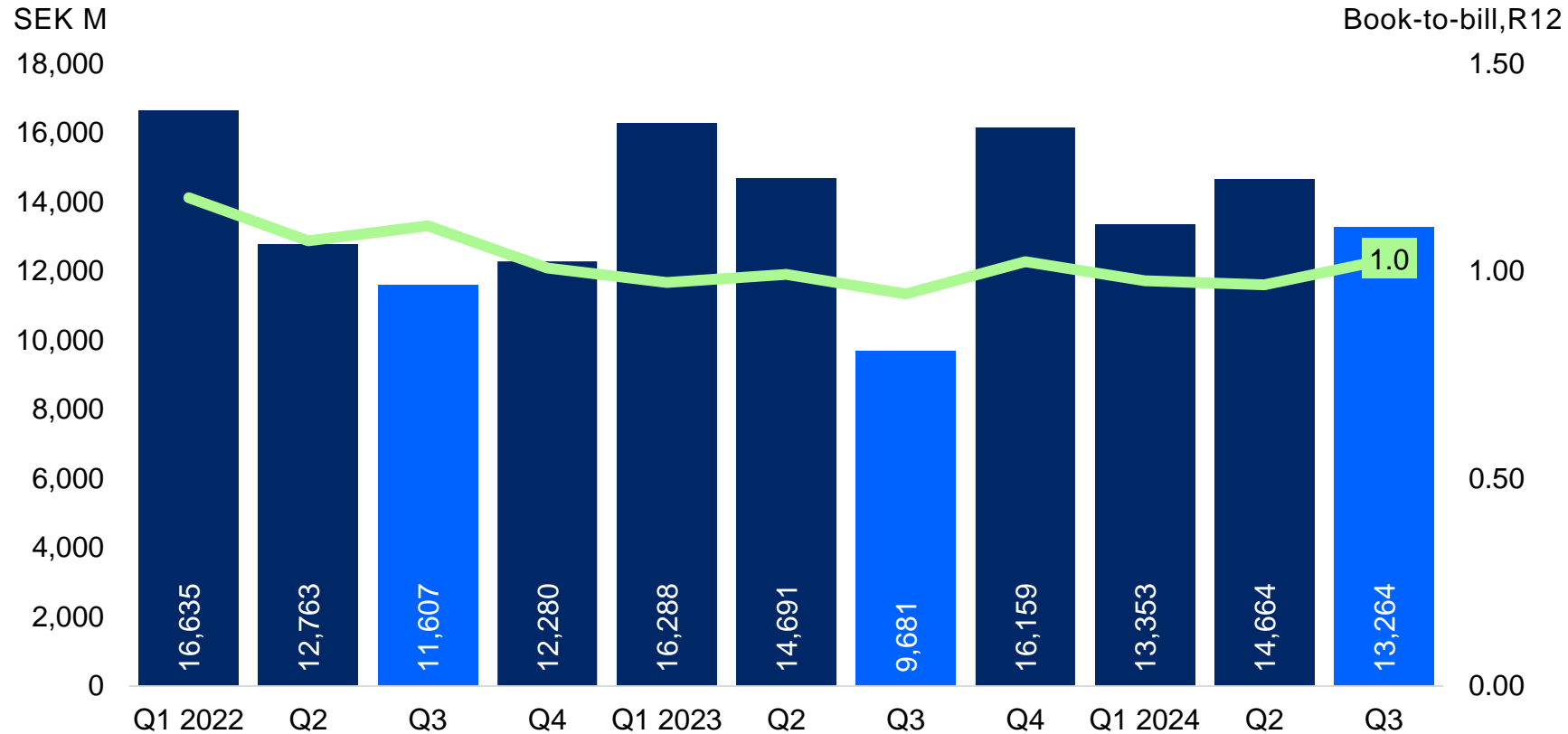
Earnings up for Building Nordics – stability in Infrastructure and Building Sweden



Property market still slow but positive signs from lower interest rates

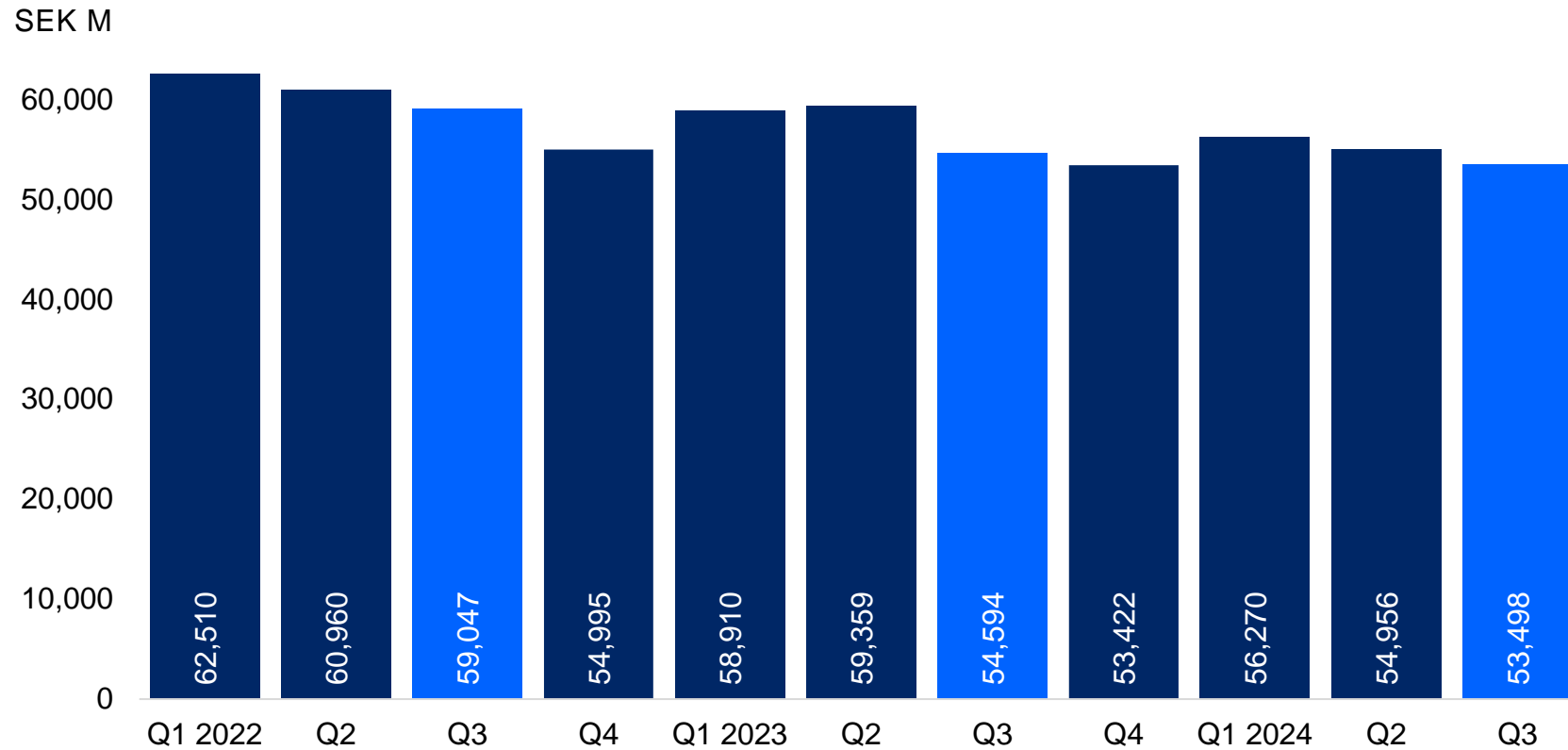
# Good orders received

Book-to-bill of 1.0. Disciplined approach to tenders





# A stable order backlog





Production facility in  
Örnsköldsvik, Sweden,  
SEK 560 M



Hospital project in  
Västerås, Sweden,  
SEK 2.5 billion

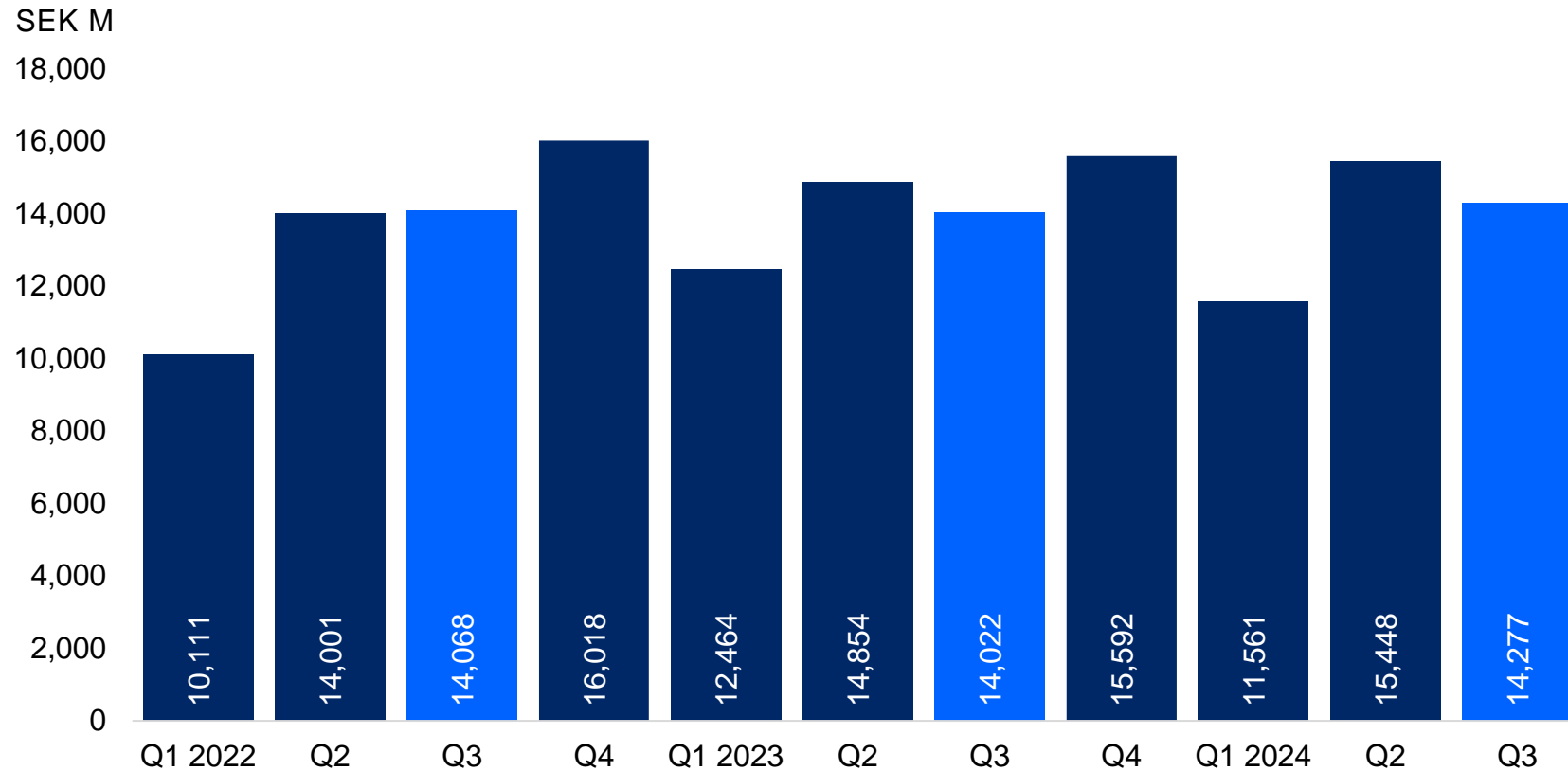


Refurbishment projects in  
Denmark, SEK 685 M



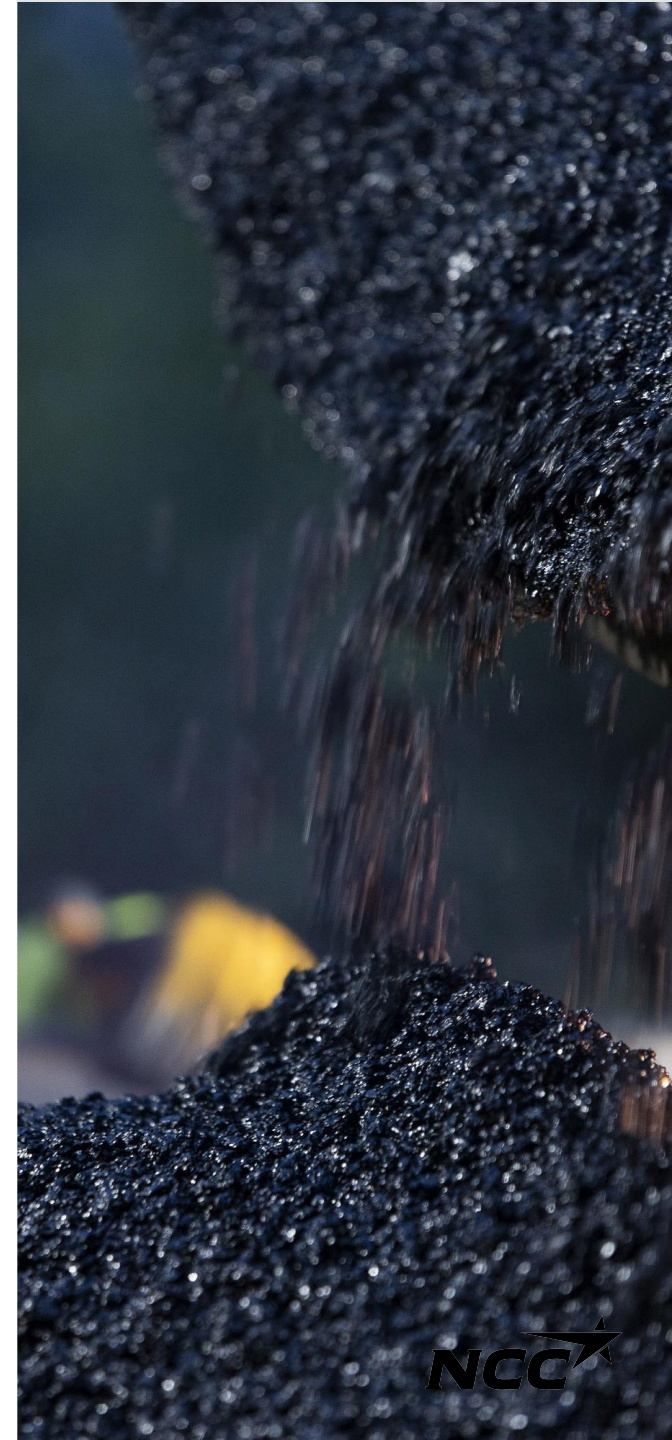
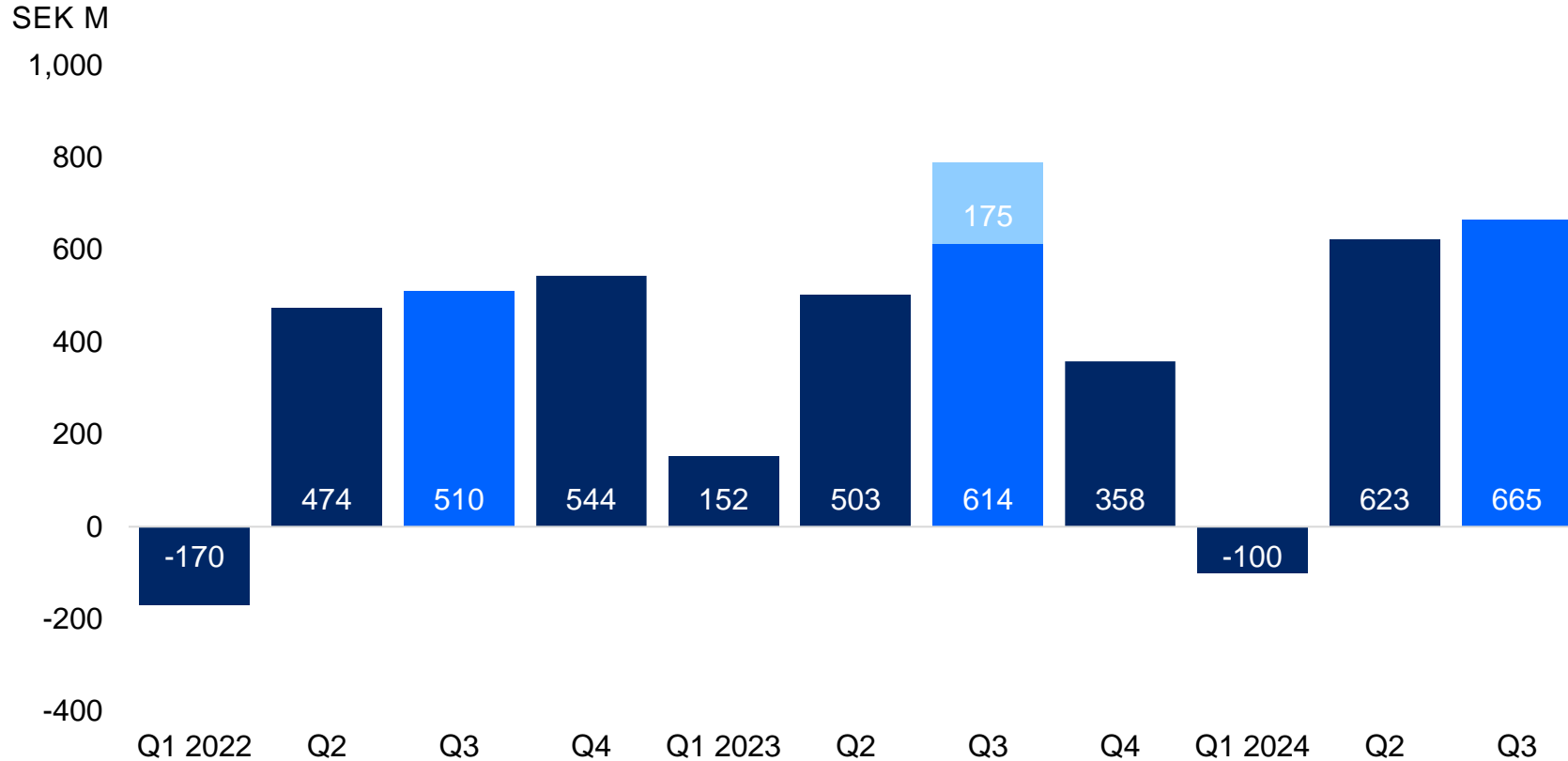


# Net sales on same level in quarter and YTD



# EBIT up 8% in the quarter

Excluding capital gains from divestment in 2023

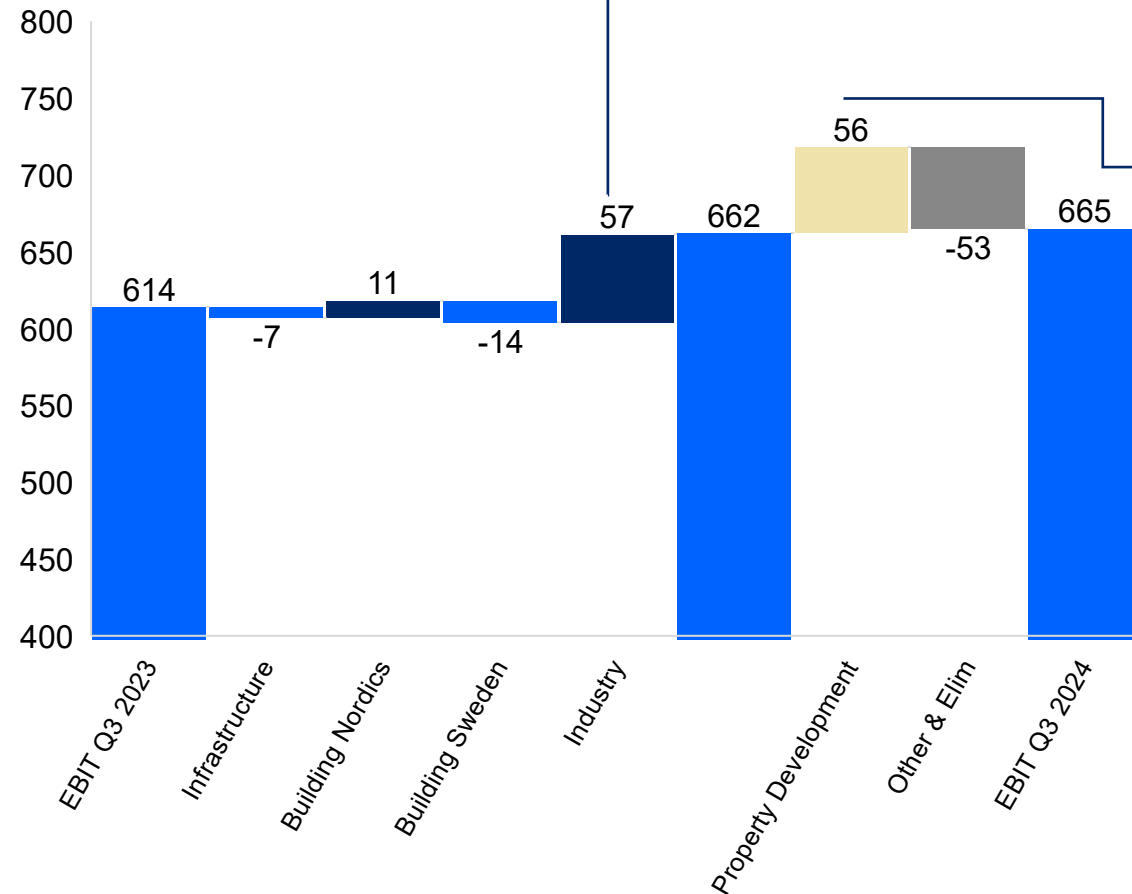




EBIT (excluding capital gains from divestment)

# Industry's positive trajectory continues

EBIT, Q3  
SEK M



Industry: EBIT 20%  
better than 2023

PD: No divestment but  
higher rental income

# Financial targets

Earnings per share

**$\geq 16.00$**

SEK

Q3 2024, R12

**12.72**

SEK

2023 16.11 SEK

Net debt

**$< 2.5$**

x EBITDA

Q3 2024, R12

**1.79**

x EBITDA

Dividend policy

**$\approx 60\%$**

of profit after tax

2023

**8.00**

SEK

50% of profit after tax



# Environment & climate targets

New CO<sub>2</sub>-target next year

Scope 1 & 2

**-60%**

2030

Scope 3

**-50%**

2030

30 June, 2024

**-65%**

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

30 June, 2024

Ready-made concrete -22%

Rebar steel -52%

Asphalt -24%

kg CO<sub>2</sub>e per bought volumes



# Health & Safety targets

LTIF4

$\leq 2.00$

2026

Q3 2024

3.8





# Continued positive market outlook

- Underlying demand still strong in infrastructure, industry and public market segments
- Property market still slow but positive signs from lower interest rates



# Susanne Lithander

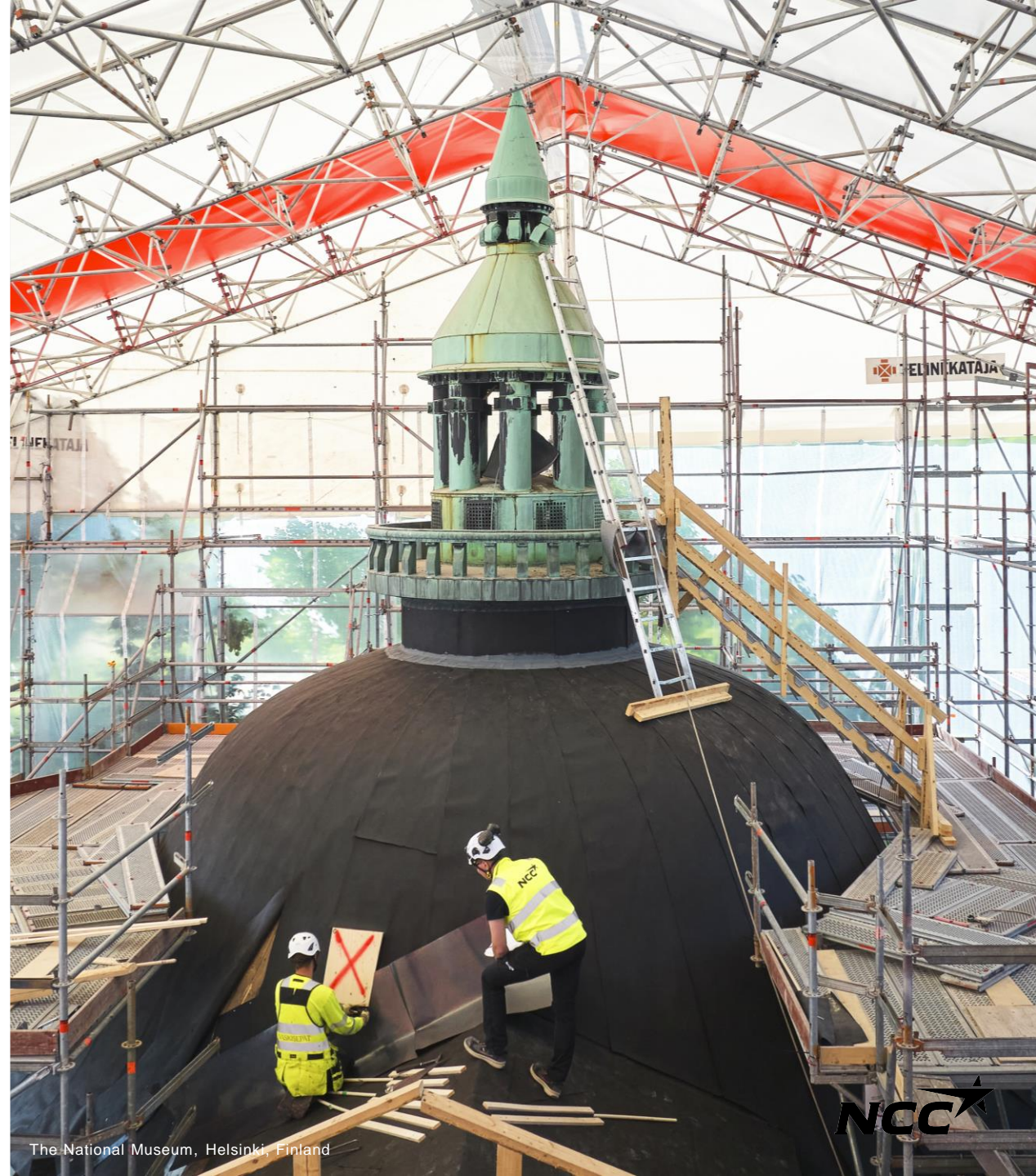




# NCC's Contracting units

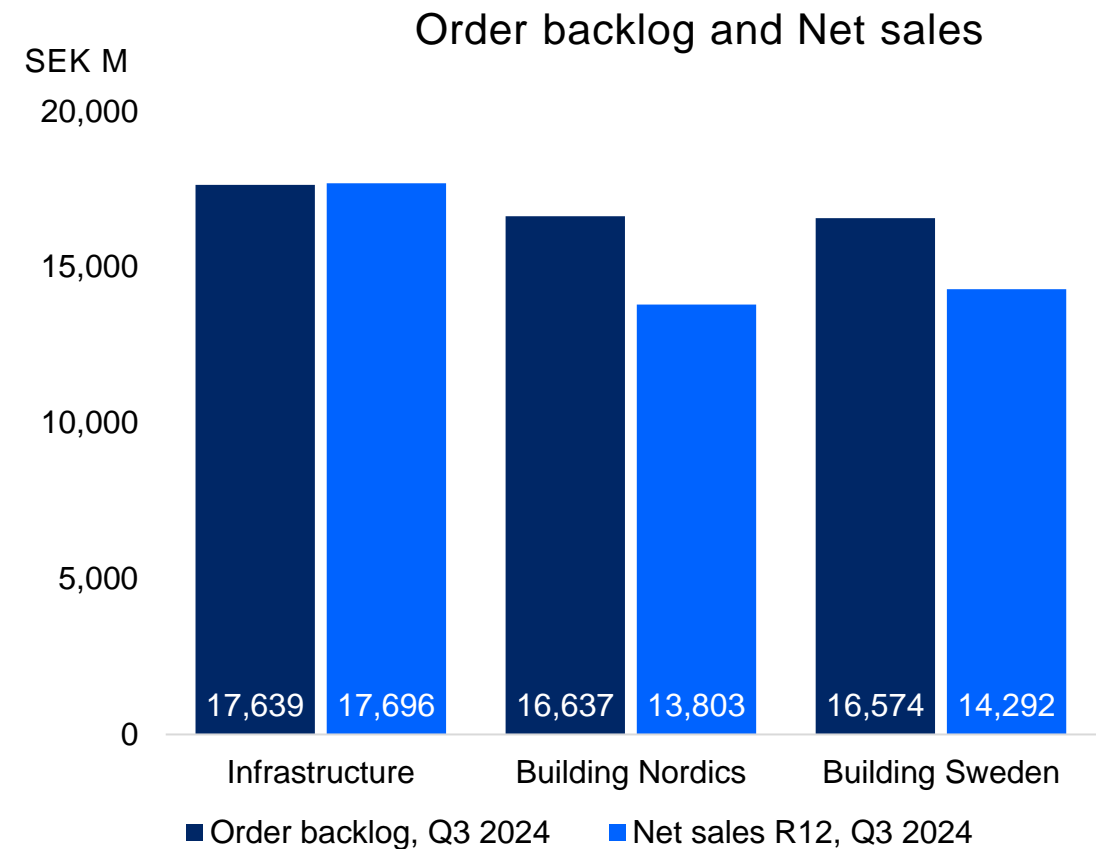
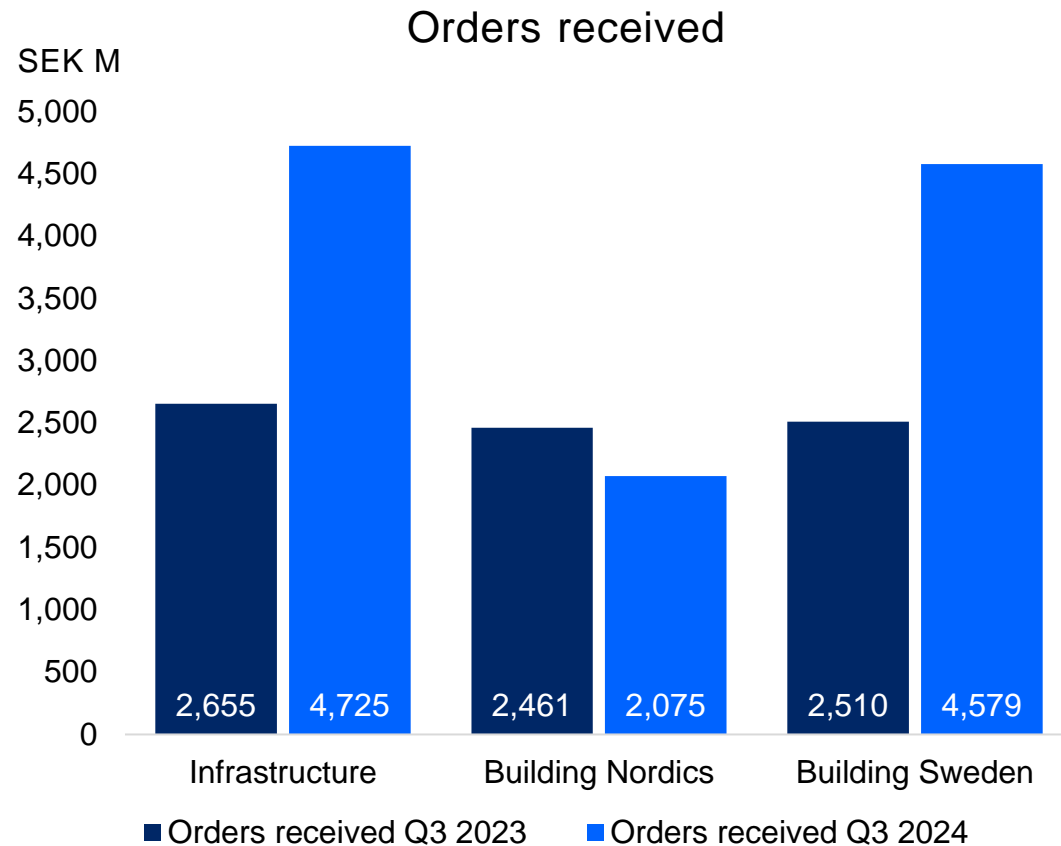
## Business update Q3

- NCC Infrastructure
- NCC Building Nordics
- NCC Building Sweden
- *NCC Green Industry Transformation*



# Strong orders received in Q3

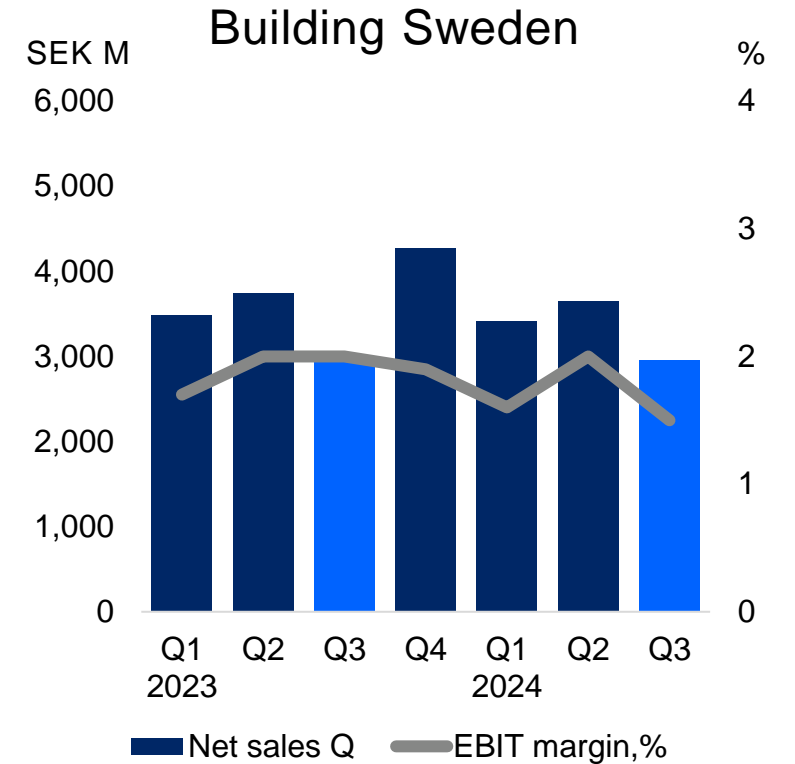
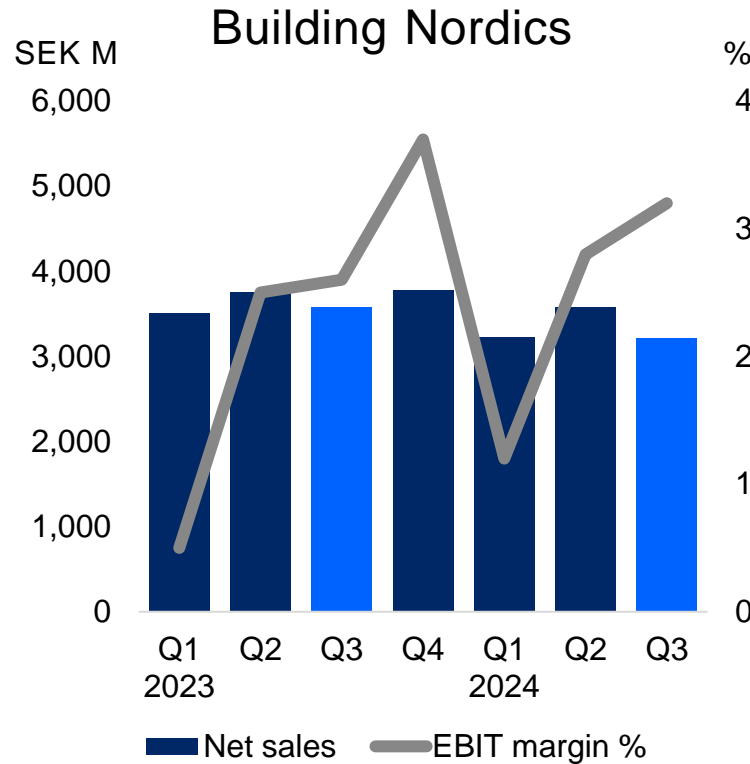
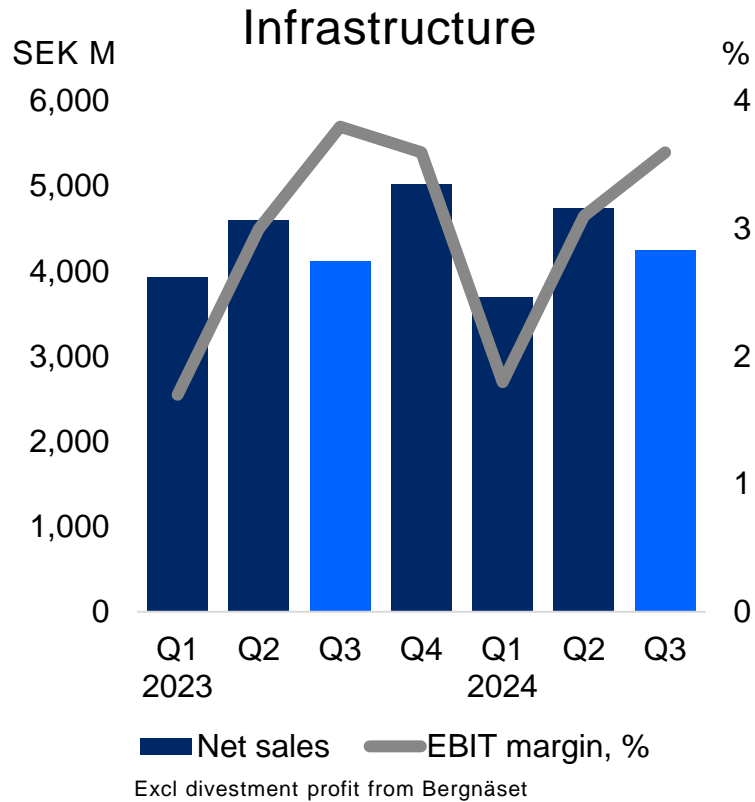
Particularly Infrastructure and Building Sweden





# Stable net sales and earnings

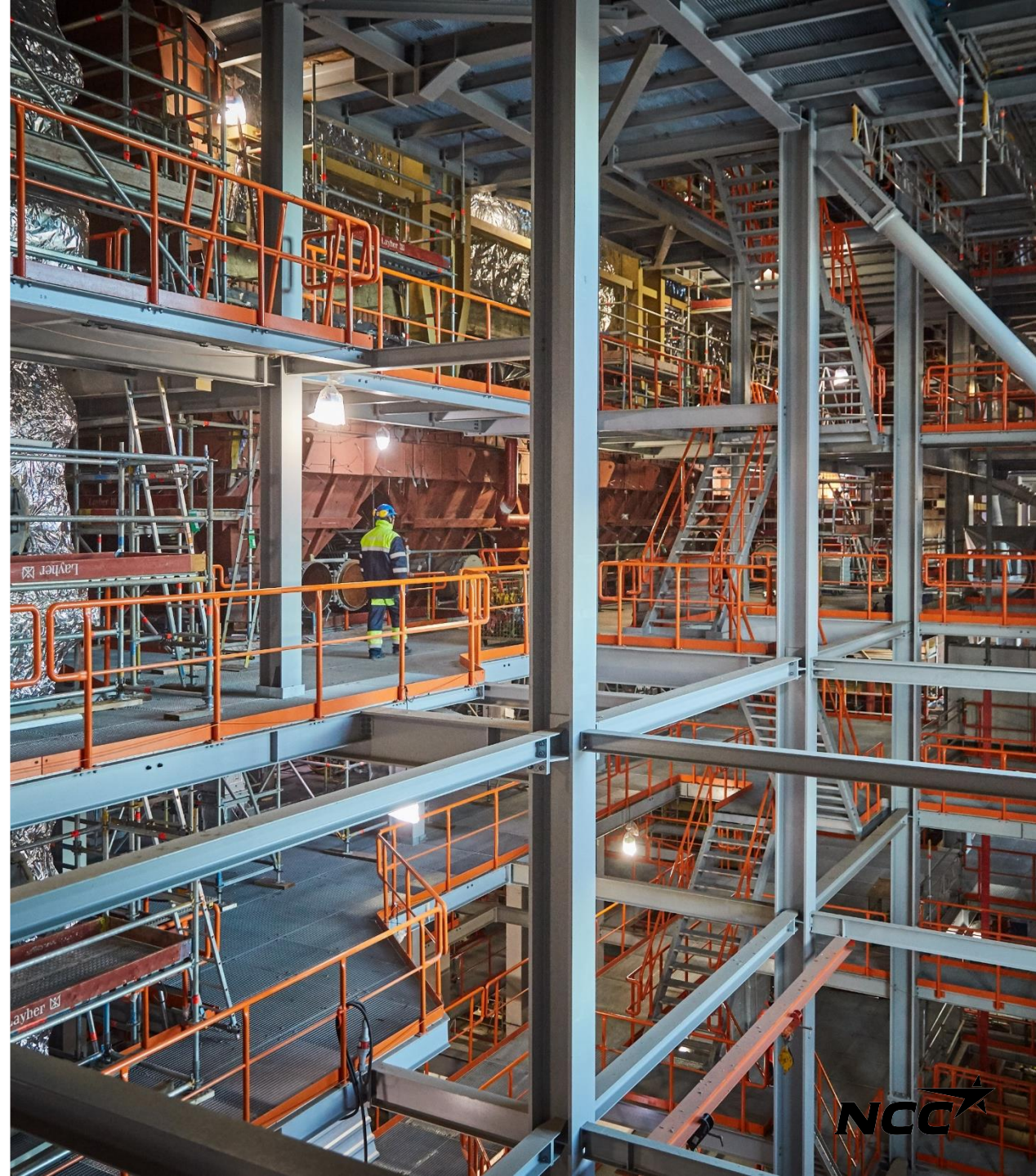
Improved margins in Building Nordics



# NCC Green Industry Transformation

## Business update Q3

- Ongoing discussions
- Strategic collaboration agreement with LKAB – planning work ongoing





# NCC Industry

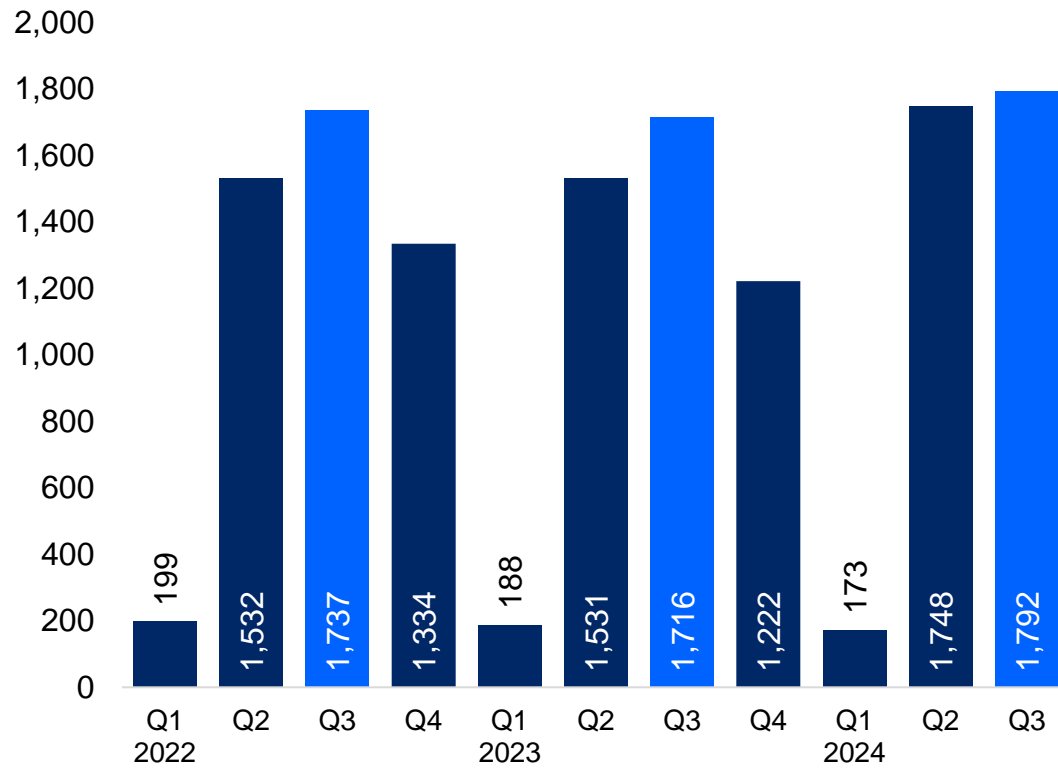
## Business update Q3

- Continued strong delivery – stable orders received, net sales and earnings up
- Both asphalt and stone contributed
- Continued focus on diligent pricing and cost

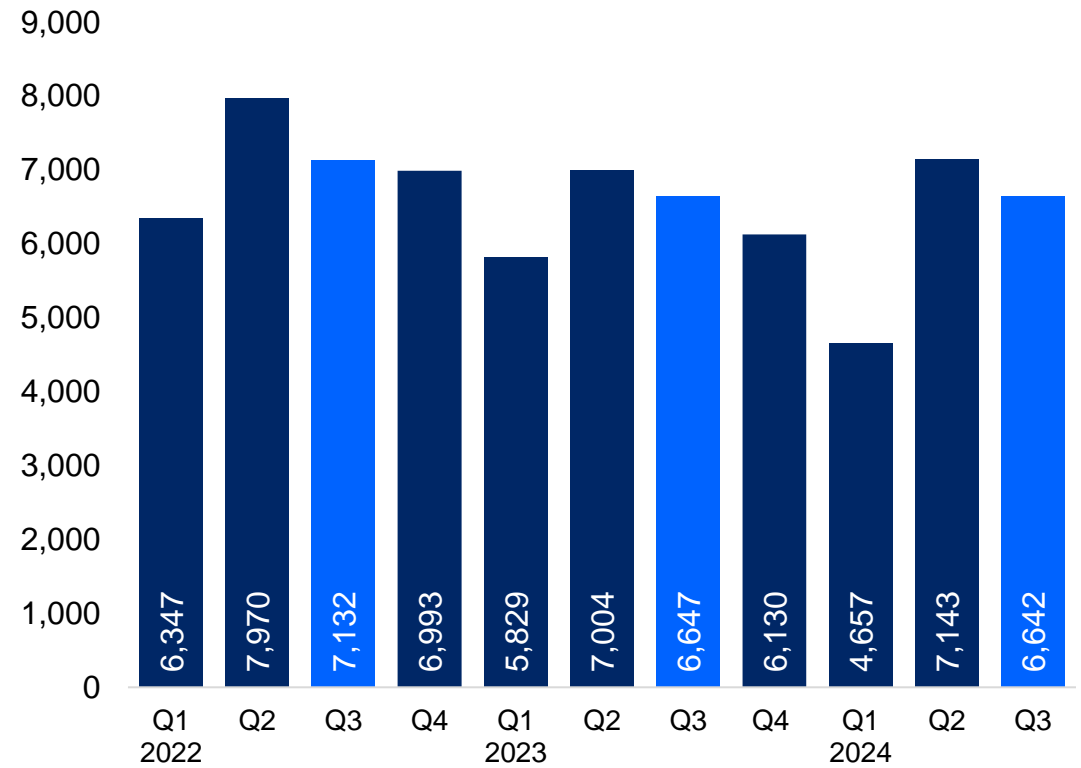


# Stable volumes

Asphalt sold, thousands of tons

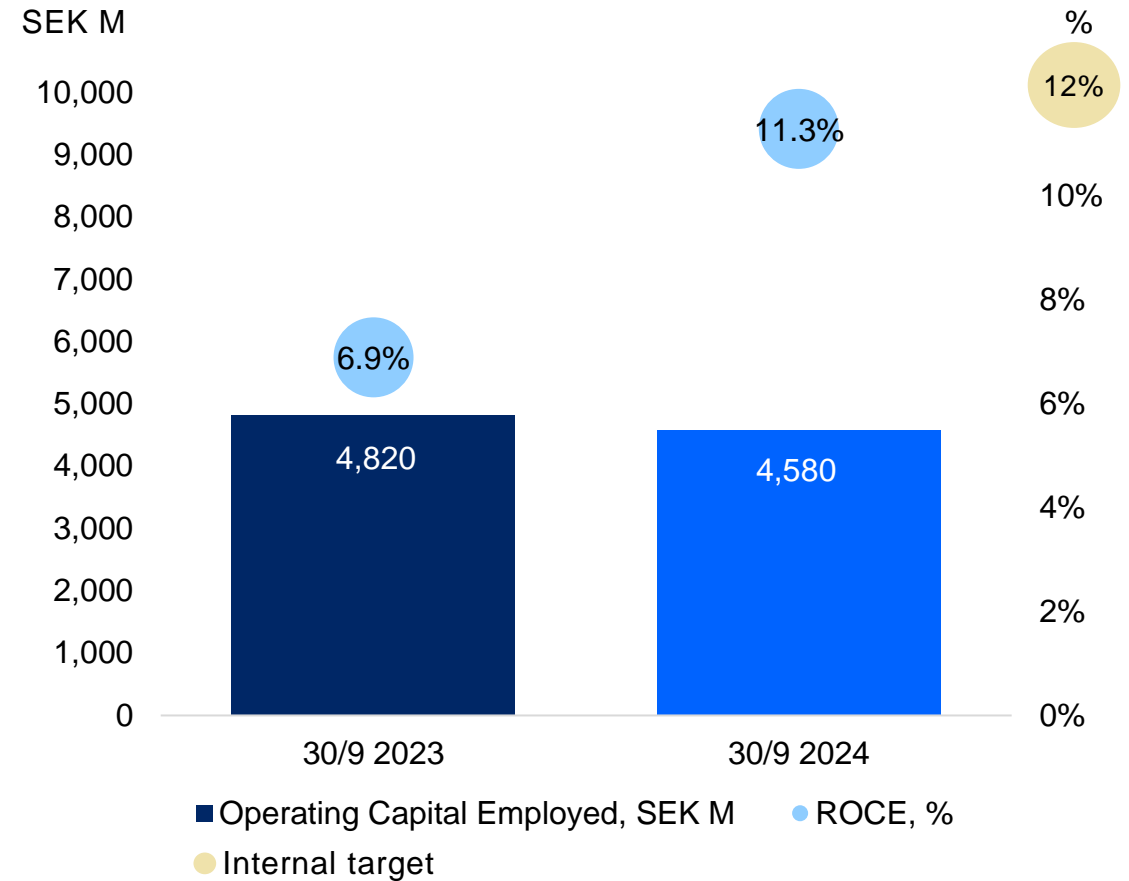
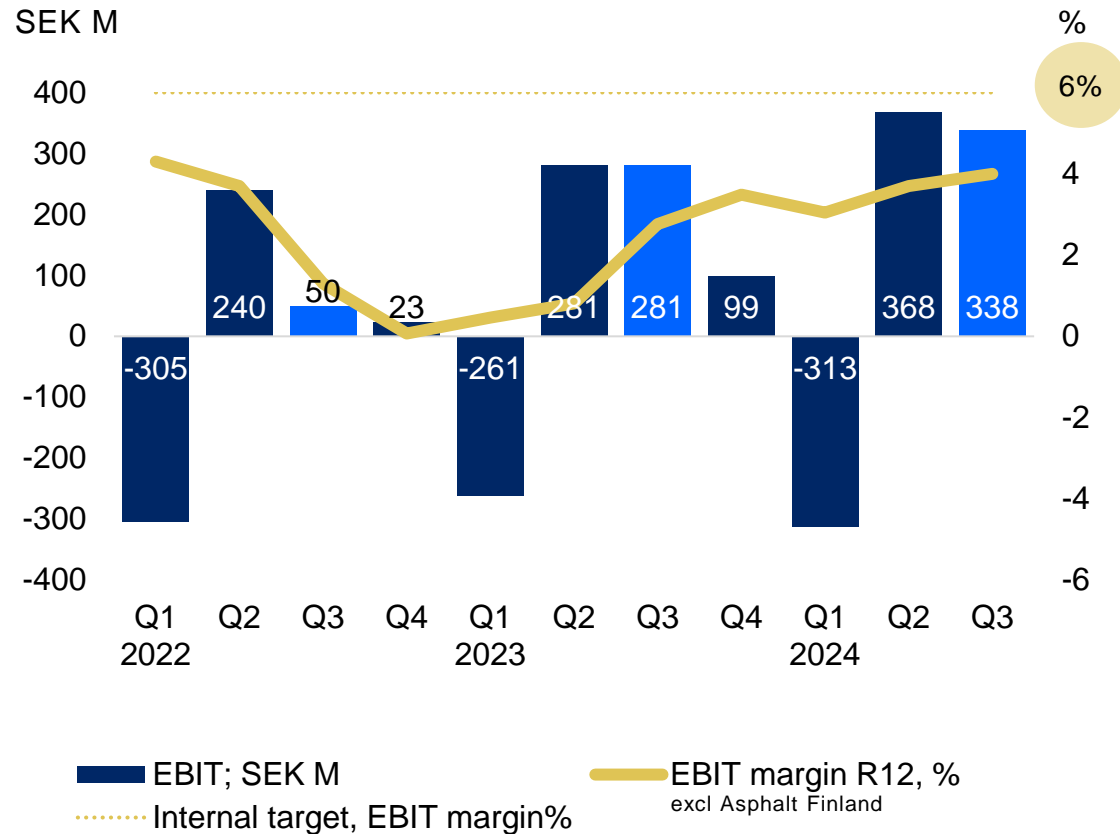


Stone materials sold, thousands of tons





# Improved earnings and ROCE



# NCC Property Development

## Portfolio update Q3

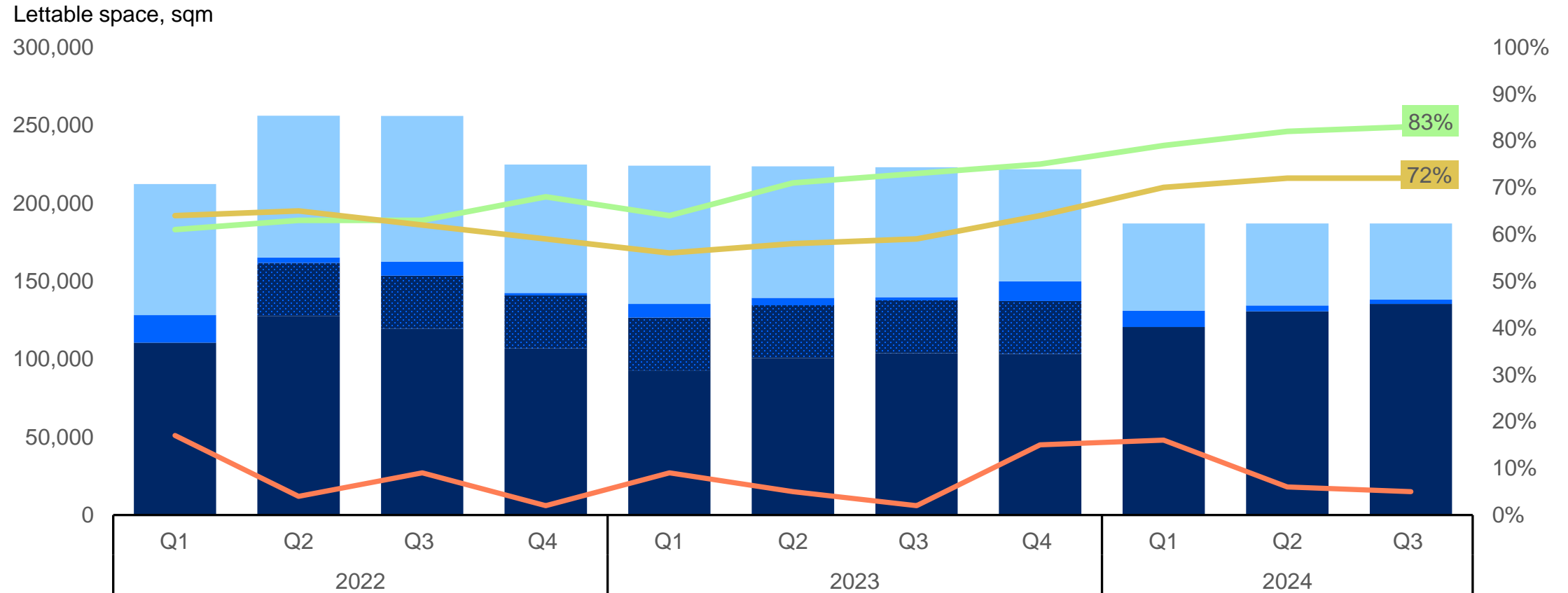
- No transactions in the quarter
- 10 projects in the portfolio, all offices
- Low letting in the quarter, 3 contracts





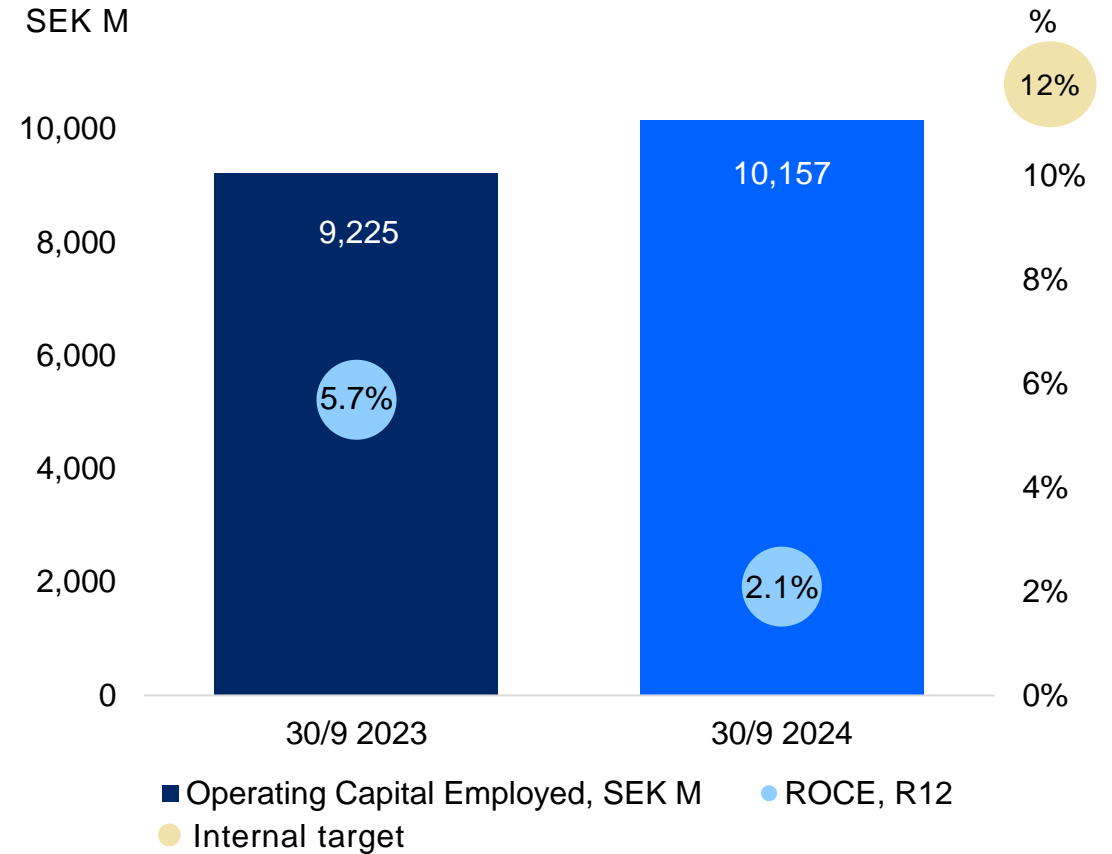
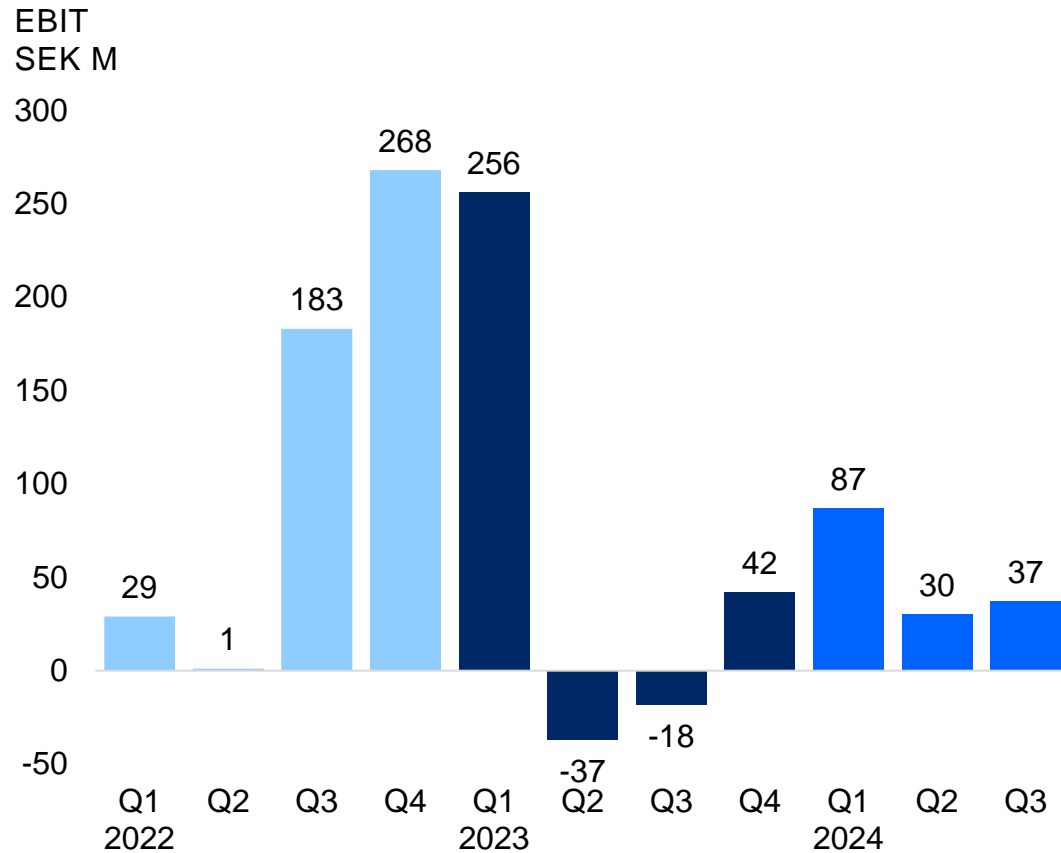
# Letting ratio 72% - 80% in completed projects

Completion ratio all projects 83%



■ Previously let area, sqm 
 ■ Sold, no letting 
 ■ Let during quarter, sqm 
 ■ Remaining unlet area, sqm 
 — Completion ratio 
 — Letting ratio (economic occupancy rate) 
 — Let during quarter (% of available unlet area)

# SEK 10 bn in operating capital employed

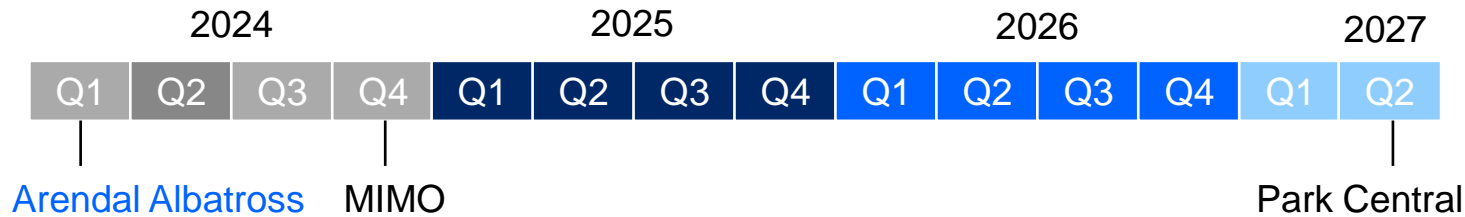




# 10 projects in the portfolio

7 completed – one project to profit Q4, MIMO office in Gothenburg

## Expected time of profit recognition for sold projects

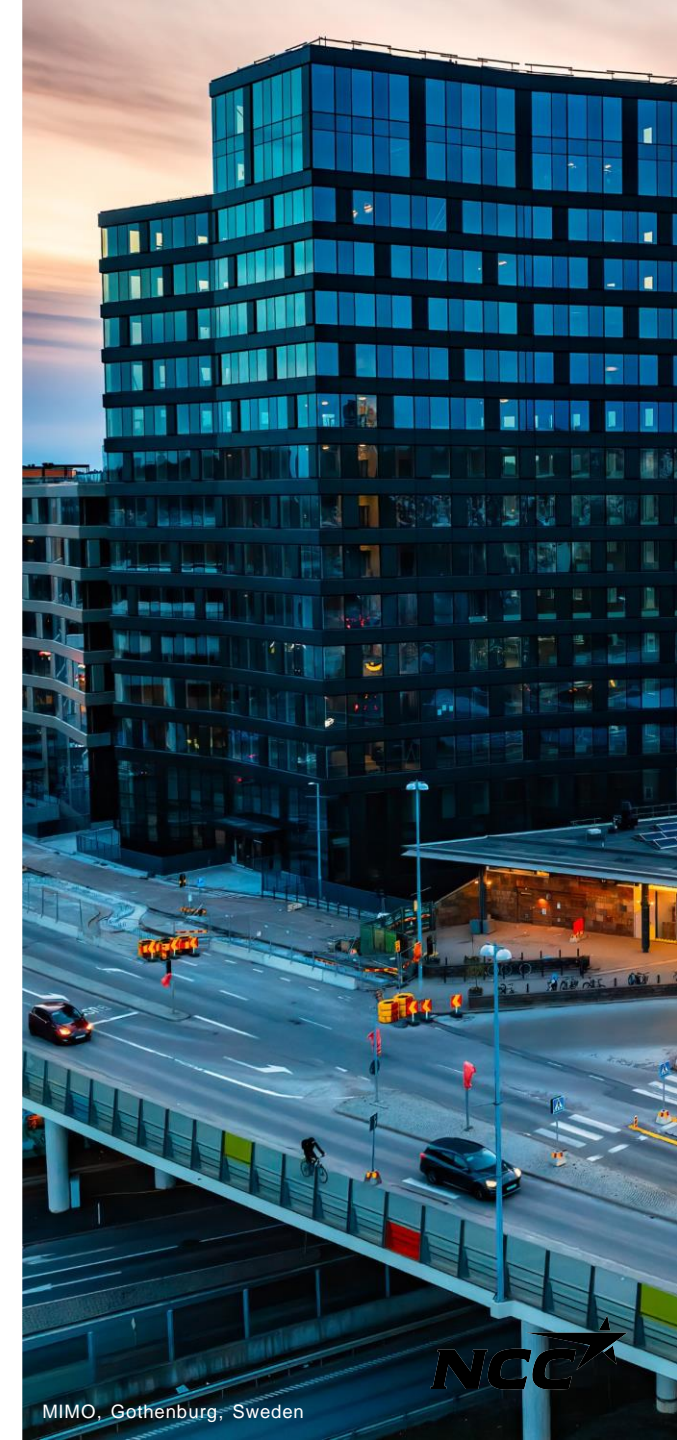


### Ongoing unsold projects

- Flow Hyllie, Malmö
- Habitat 7, Gothenburg

### Completed unsold projects

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



# Other & eliminations

SEK M	Q3		R12, Oct-Sep	Jan-Dec
	2024	2023	2023/2024	2023
NCC Group common functions, subsidiaries and business area NCC Green Industry Transformation	-48	-14	-415	-315
Elimination of internal gains	-8	7	-33	-18
Pension cost (IAS19 adjustments)	46	52	170	190
Other adjustments and eliminations	-2	-4	-44	-35
<b>EBIT, total</b>	<b>-11</b>	<b>42</b>	<b>-322</b>	<b>-179</b>

Increased costs for Group common functions for quarter and YTD

Cost for IT development represents ~30% and expected to be higher in the coming years

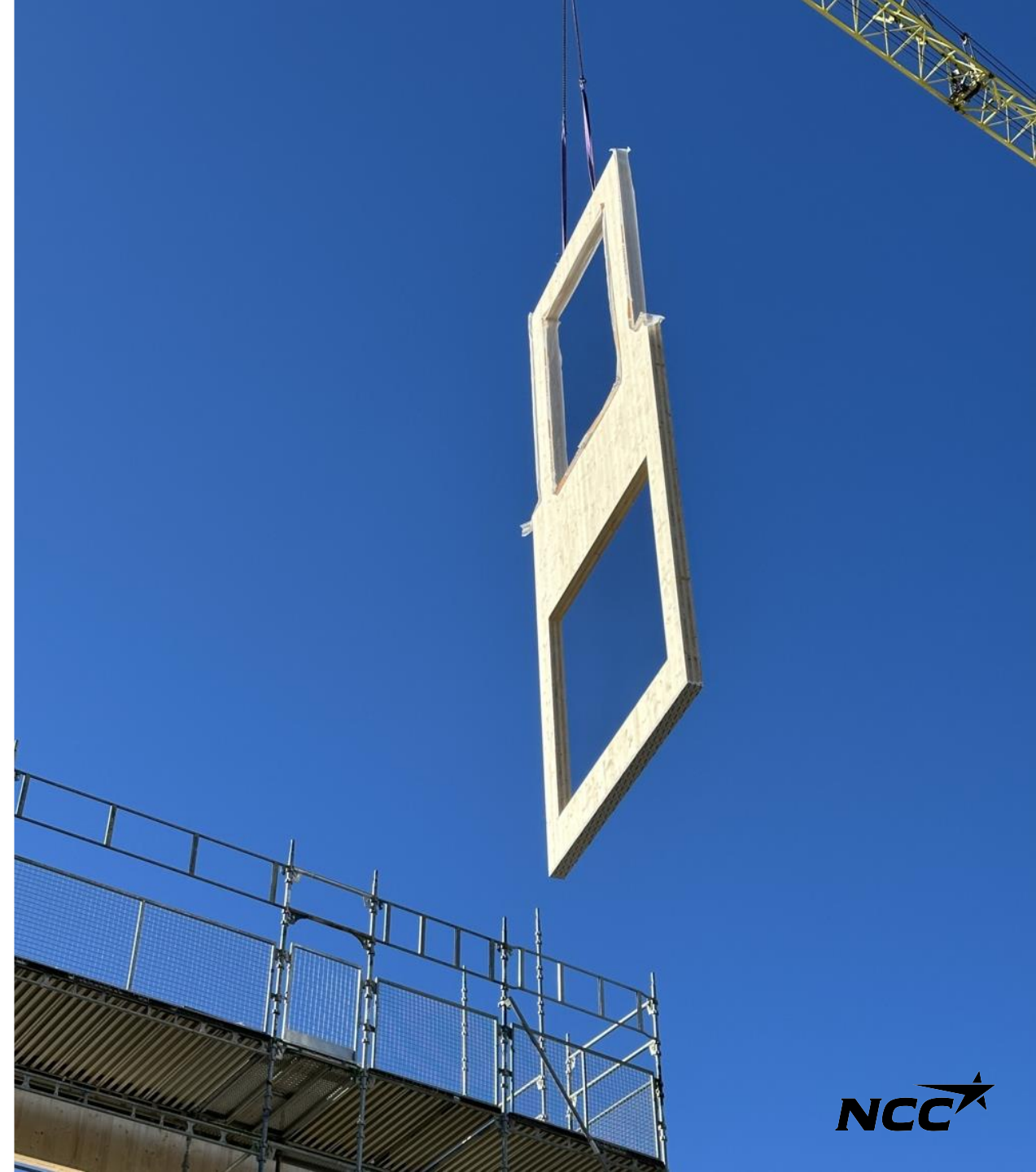
GIT represents <10%





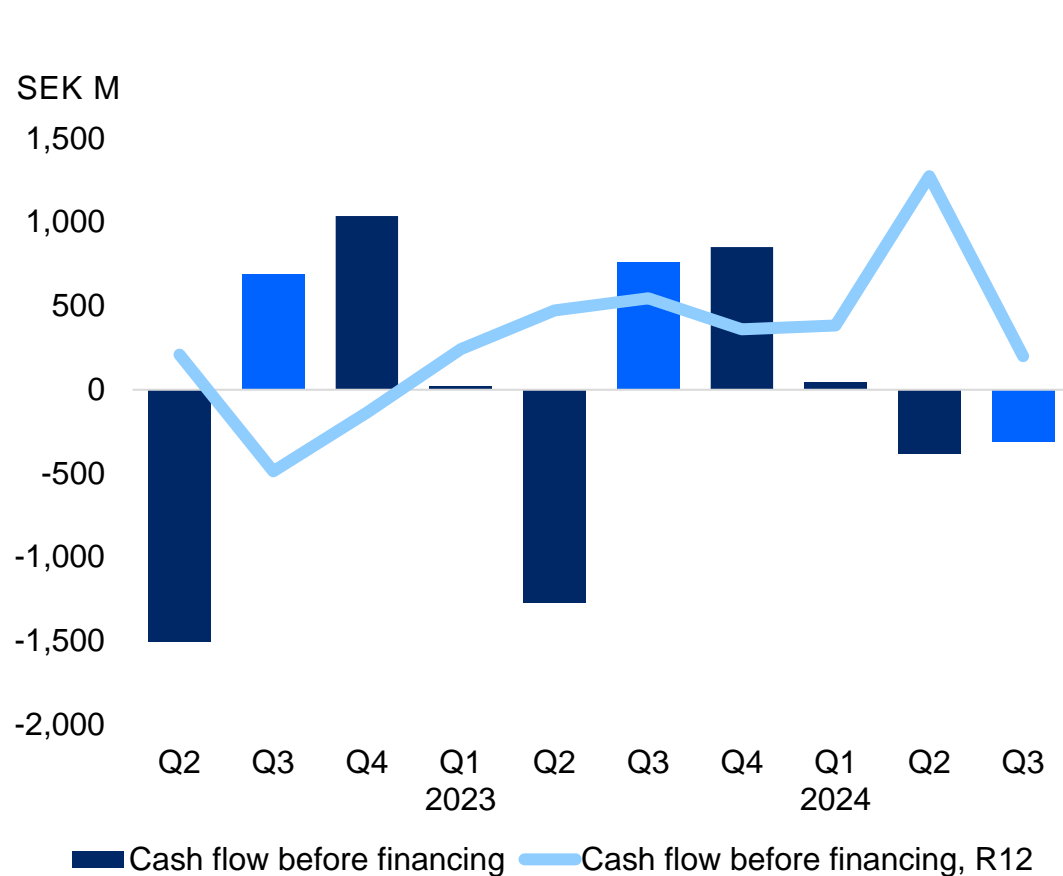
# Earnings

SEK M	Q3		R12, Oct-Sep	Jan-Dec
	2024	2023	2023/2024	2023
Earnings in segments (all BAs)	676	747	1,868	1,982
Other & Eliminations	-11	42	-322	-179
<b>EBIT</b>	<b>665</b>	<b>789</b>	<b>1,546</b>	<b>1,802</b>
Financial net	-53	-18	-108	1
<b>EBT</b>	<b>612</b>	<b>771</b>	<b>1,439</b>	<b>1,803</b>
Tax	-140	-149	-196	-230
<b>Profit for the period</b>	<b>472</b>	<b>621</b>	<b>1,243</b>	<b>1,573</b>
Earnings per Share	4.83	6.36	12.72	16.11



# Lower cash flow

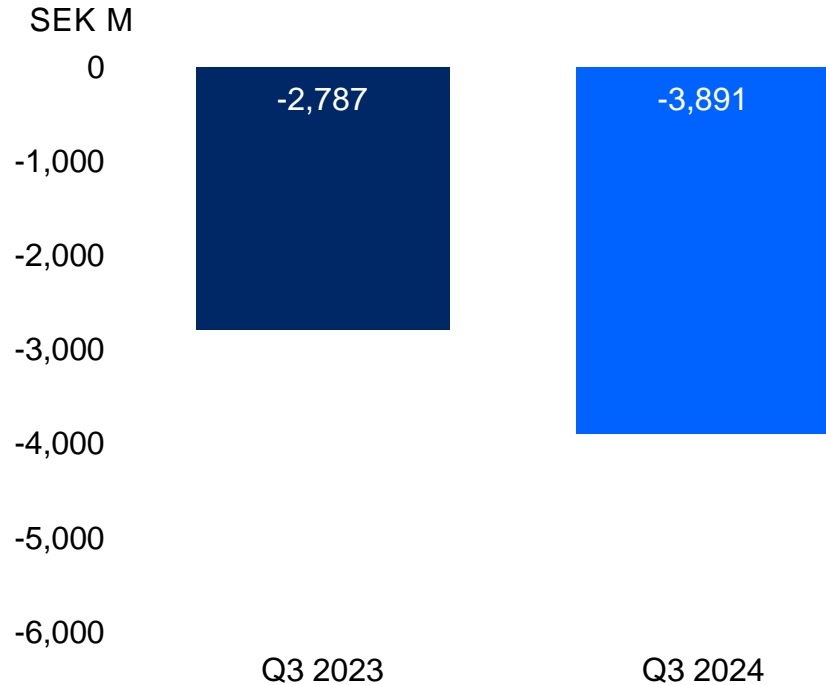
Increased working capital due to calendar effect



SEK M	Q3	Q3	R12, Oct-Sep	Jan-Dec
	2024	2023	2023/2024	2023
<b>OPERATING ACTIVITIES</b>				
From operating activities before changes in working capital	785	586	2,238	2,122
From property projects	-246	-437	-733	-1,684
Other changes in working capital	-783	415	-786	369
<b>Cash flow from operating activities</b>	<b>-244</b>	<b>563</b>	<b>720</b>	<b>807</b>
Investing activities	-65	201	-519	-446
<b>Cash flow before financing</b>	<b>-309</b>	<b>764</b>	<b>201</b>	<b>361</b>



# Corporate net debt higher than last year



Net debt* / EBITDA	
Target	< 2.5x
Sep 30, 2024, R12	1.79

\*Corporate net debt excluding pension liabilities and leasing liabilities

# ◆ Tomas Carlsson



# In summary

- A stable quarter for NCC
- Earnings up 8%, adjusted for capital gains from divestment
- Increased orders received
- Industry main driver of improvements – other business areas stable
- Property transaction market remains slow but positive signs from lower interest rates
- Positive market outlook







# Contact information

Tomas Carlsson, CEO  
[tomas.carlsson@ncc.se](mailto:tomas.carlsson@ncc.se)

Susanne Lithander, CFO  
[susanne.lithander@ncc.se](mailto:susanne.lithander@ncc.se)  
Tel +46 730 37 08 74

Andreas Koch, Head of Communications & IR  
[andreas.koch@ncc.se](mailto:andreas.koch@ncc.se)  
Tel +46 705 09 77 61

[ncc.com/Investor-relations](https://ncc.com/Investor-relations)

*For definitions and details, please see the quarterly report*



