

Interim report

January 1 – September 30, 2012

Peter Wågström
President and CEO

Ann-Sofie Danielsson
Chief Financial Officer

January-September in brief

- Orders received: SEK 40,336 M (42,935)
- Net sales: SEK 38,157 M (34,416)
- Operating profit: SEK 1,202 M (876)



Q3 in brief

- Orders received: SEK 13,160 M (12,499)
- Net sales: SEK 13,765 M (13,033)
- Operating profit: SEK 814 M (612)
- Order backlog: SEK 48.5 BN



NCC's Construction units

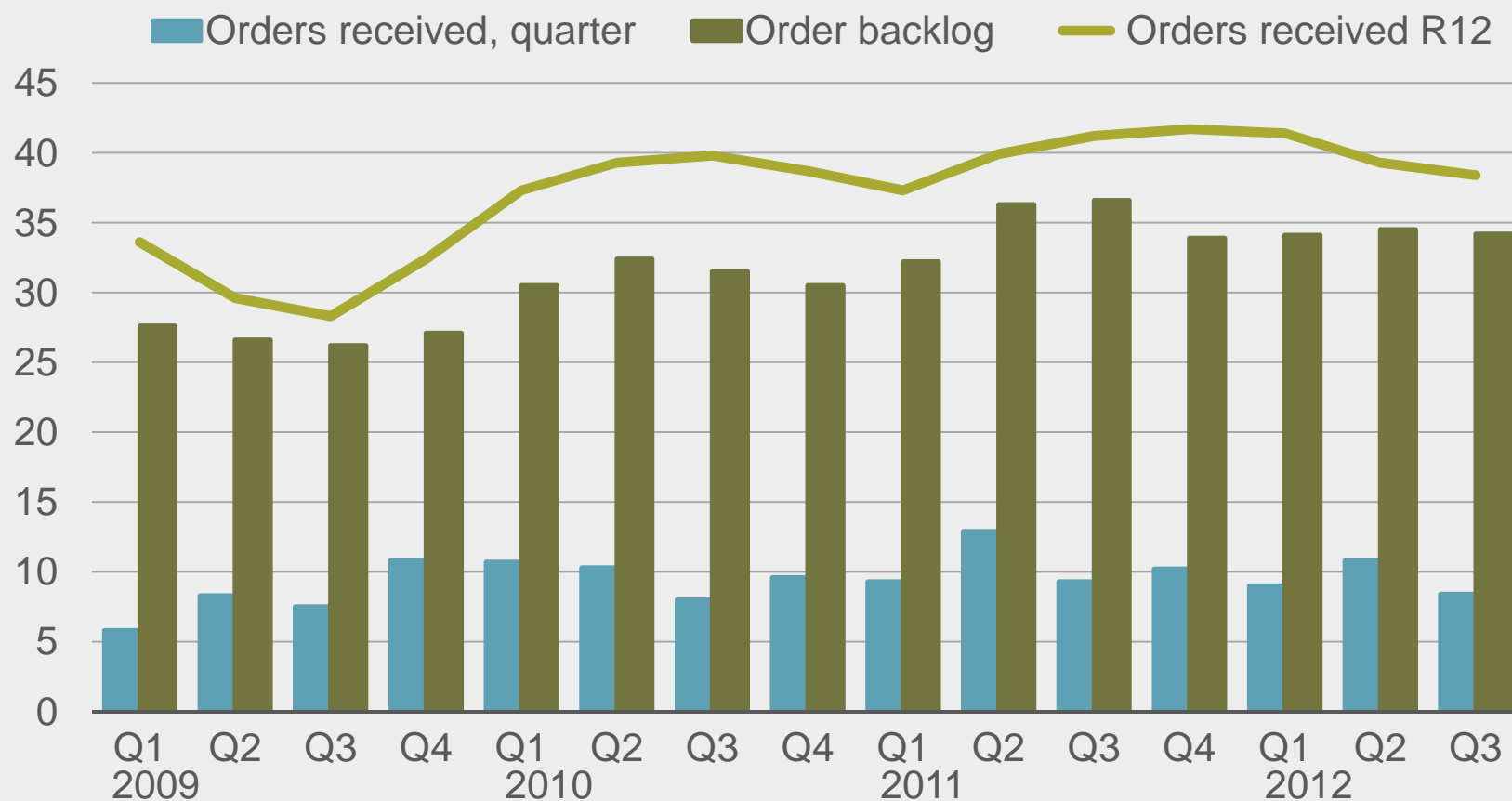
Market

- Lower demand for housing and other building contracts
- Stable demand in civil-engineering market
- Weak start to 2013; full-year on par with 2012
 - Stronger in Norway
 - Other markets weaker



Order backlog – NCC’s Construction units

SEK BN

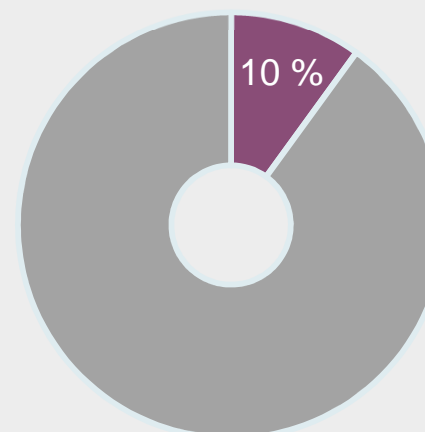


NCC's Construction units

– major orders in Q3 2012

- Shopping center and housing project in Baerum outside Oslo, Norway: SEK 480 M
- Office building in Lillehammer, Norway: SEK 350 M

Orders received, proportion above SEK 250 M



Total SEK 8.4 BN

Bekkestua center and housing in Baerum, Norway

- 10,000 m² of housing space (77 housing units)
- 23,500 m² of commercial space + parking
- Order worth SEK 480 M
- Stringent environmental requirements
- Combined with acquisition of OKK, strengthens our position in the western Oslo region
- Completed in March 2015



NCC Roads

Market

- Demand for asphalt in line with the year-earlier period
- Certain decline in demand for aggregates
- Growth potential for road services operation



NCC Housing *Market*

- Stable demand, with prices leveling off
- House buyers cautious in Sweden and Finland
- Best market potential in St. Petersburg and weakest in the Baltic countries and Denmark
- Outlook difficult to access – demand in 2013 is expected to be stable with unchanged price levels



p303, Plutonbrigaden Tenant Owners' Association, Örebro

Housing portfolio trend

	For private customers		For investors		Total	
	Sep 30, 2012	June 30, 2012	Sep 30, 2012	June 30, 2012	Sep 30, 2012	June 30, 2012
Number						
In progress	4,470	4,506	1,399	1,065	5,869	5,571
Sales rate, %	52	48	87	73	61	53
Completion rate, %	56	51	49	41	55	49



Örsvik, Sundbyberg

Housing units sold

Number of housing units	Jul-Sep		Jan-Sep	
	2012	2011	2012	2011
Sweden	165	111	492	405
Denmark	16	10	58	36
Finland	169	156	485	627
Baltic countries	21	22	70	75
St. Petersburg	150	94	385	130
Norway	32	18	90	87
Germany	156	170	440	459
Total, private customers	709	581	2,020	1,819
Investment market	460	0	744	332
Total	1,169	581	2,764	2,151

Housing sales for investors Q3

Major transactions

City	Housing units	Price SEK M	Recognized in profit
Berlin, Germany	149	204	Q4 2012 /Q4 2013
Dusseldorf, Germany	98	189	Q3 2013
Hamburg, Germany	87	175	Q4 2013



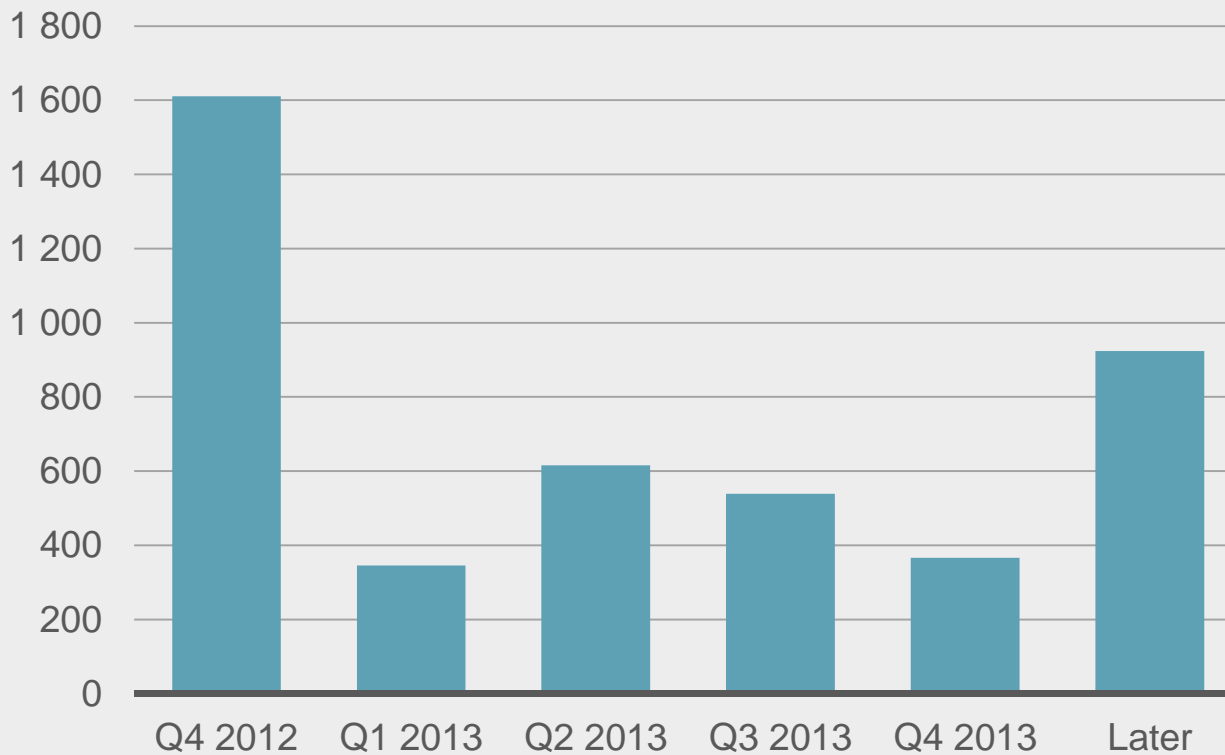
Housing starts

	Jul-Sep		Jan-Sep	
Number of housing units	2012	2011	2012	2011
Sweden	267	62	646	662
Denmark	4	0	62	43
Finland	74	150	382	674
Baltic countries	31	88	73	149
St. Petersburg	0	482	0	482
Norway	0	0	56	97
Germany	125	144	509	564
Total, private customers	501	926	1,728	2,671
Investment market	350	61	792	415
Total	851	987	2,520	3,086

Housing units for private customers

Estimated completion

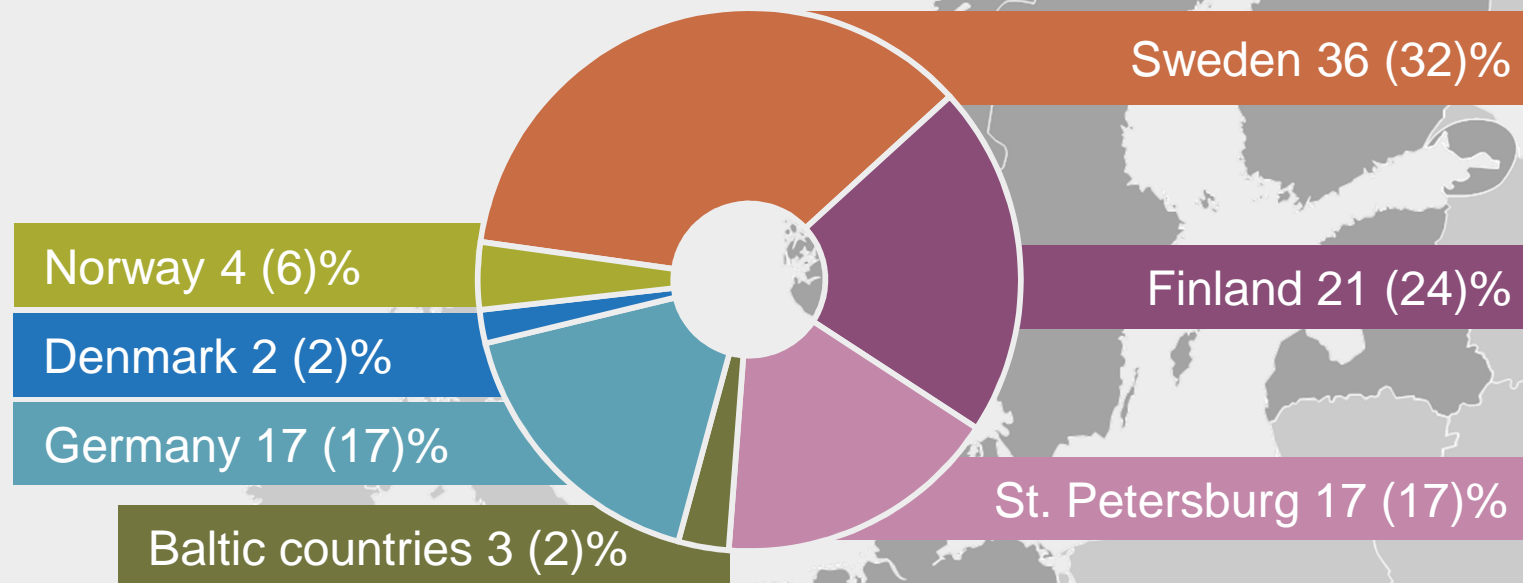
Number of housing units



NCC Housing

Housing units in progress for private customers

September 30, 2012 (June 30, 2012)



NCC Property Development *Market*

- Demand for modern and “green” properties in prime locations
- Longer decision-making processes
- More difficult for investors to finance property acquisitions
- Stable rents and vacancies



Project starts Q 3

- Lielähti Center, Tampere, Finland
 - Retail and service property, 13,400 m²
- Portlandsilos, Copenhagen, Denmark
 - Office property, 12,800 m²



Lielähti Center, Tampere, Finland

Portlandsilos, Denmark

- Business park in two renovated silos in Copenhagen Harbor
- Seven stories – Total height of 59 meters
- Completion: April 1, 2014
- BREEAM, “Very Good” level



Portlandsilos, Denmark

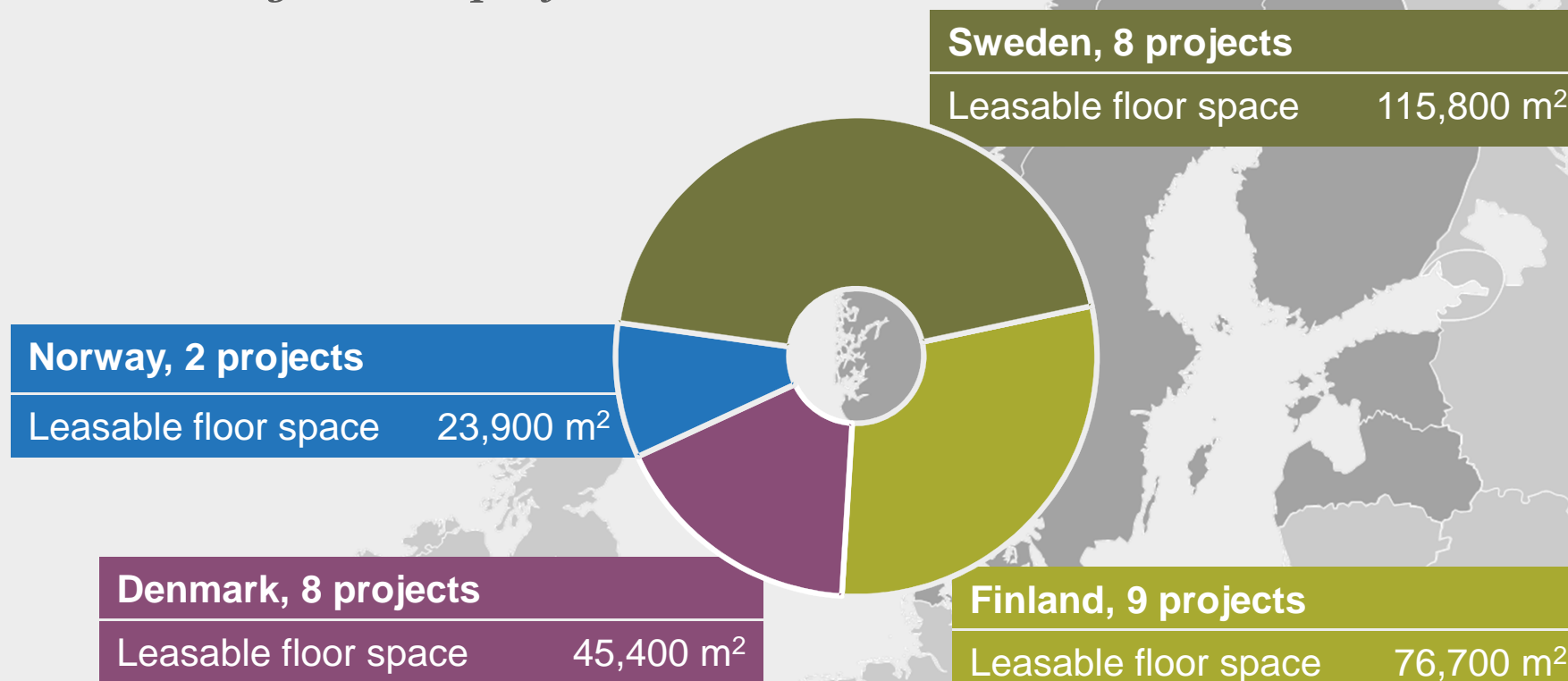
Property sales

Project	Type	Price SEK M	Recognized in profit
Office project, Copenhagen	Office	455	Q2 2014
Logistics facility, Gothenburg	Logistics	224	Q4 2012
Alberga B, Business Park, Finland	Office	196	Q4 2012



NCC Property Development

*27 ongoing or completed projects
(not recognized in profit)*





Ann-Sofie Danielsson
Chief Financial Officer

Plutonbrigaden Tenant Owners' Association, Örebro

Q3 in brief

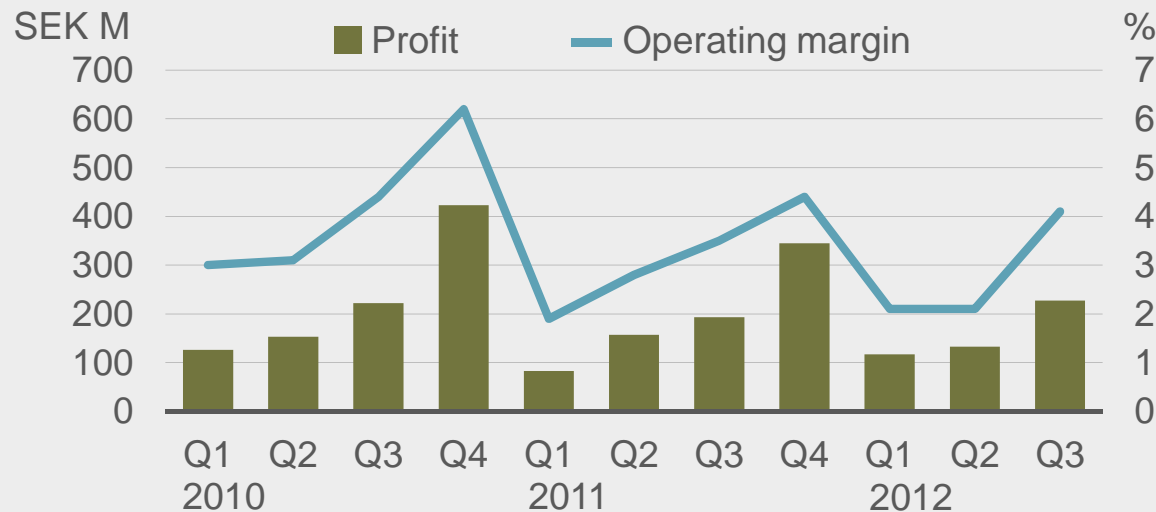
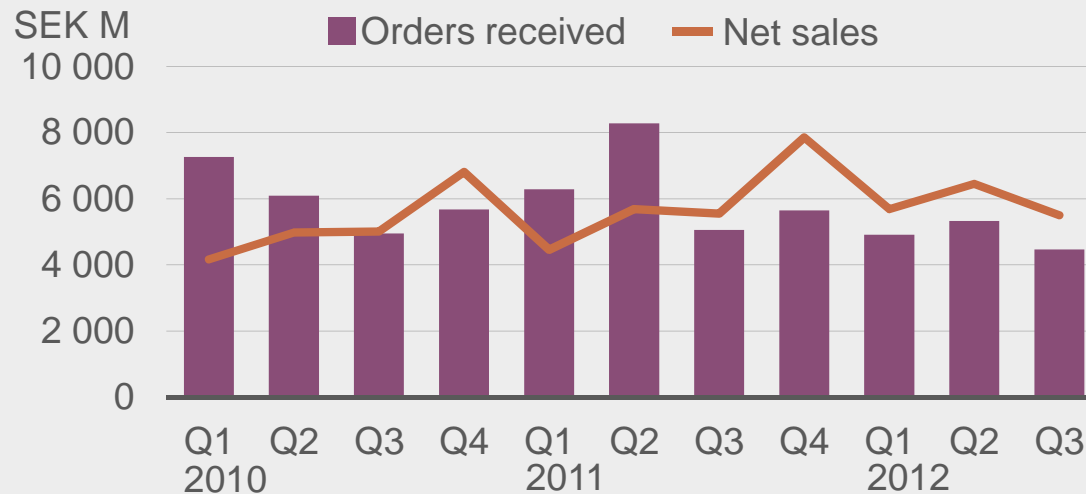
- Operating profit: SEK 202 M better than Q3 2011
- Continued investments in property and housing projects
- Net indebtedness impacted by seasonal variations and investments



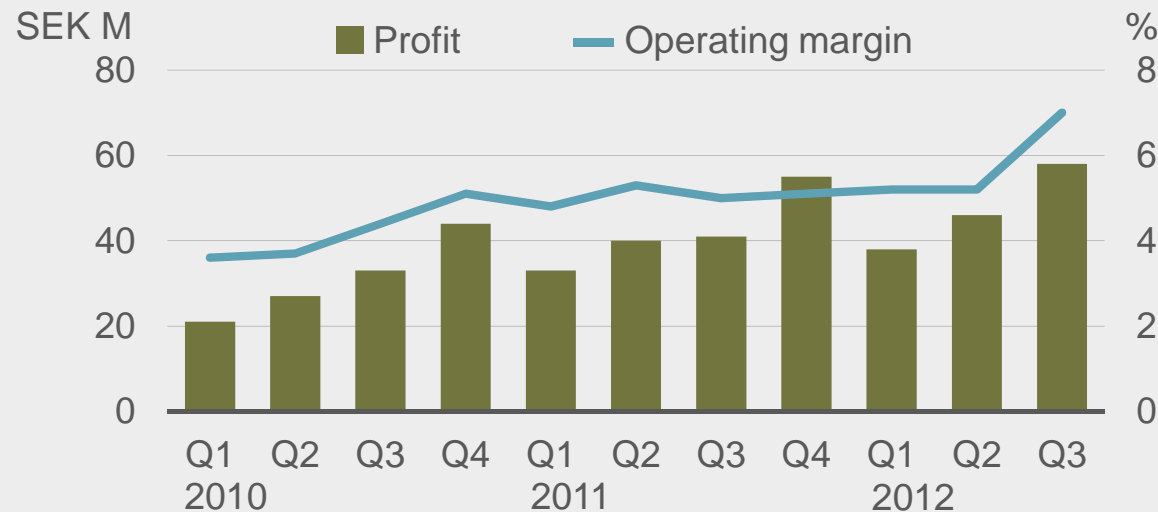
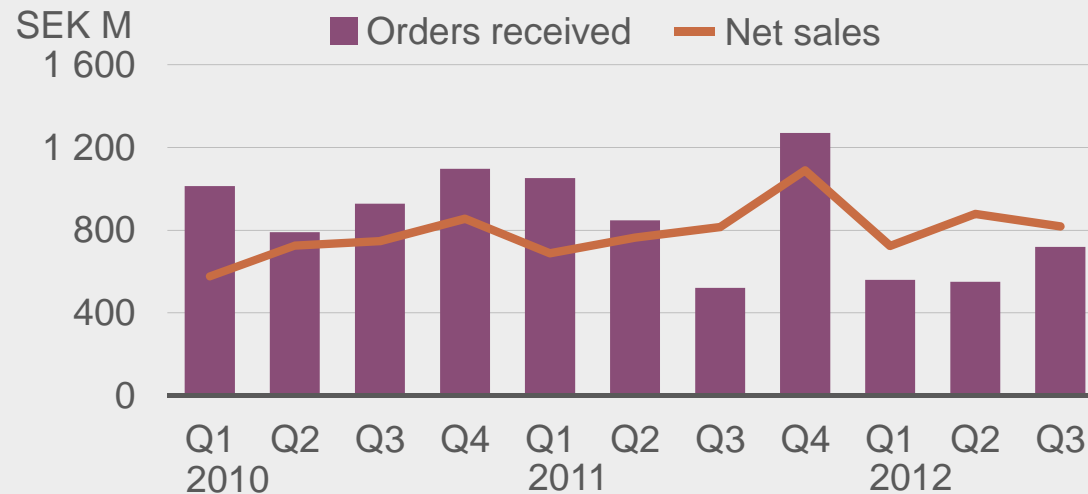
Income statement

SEK M	Jul-Sep 2012	Jul-Sep 2011	Oct 11- Sep 12	Jan-Dec 2011
Net sales	13,765	13,033	56,276	52,535
Gross profit	1,416	1,220	5,260	4,814
Selling and administrative costs	-603	-608	-2,897	-2,774
<i>Cost ratio</i>	4.4%	4.7%	5.1%	5.3%
Other	1	-2	-20	-23
Operating profit	814	612	2,343	2,017
Financial items	-80	-59	-252	-208
Profit after financial items	734	553	2,089	1,808
Tax on profit for the period	-171	-140	-547	-496
<i>Tax rate</i>	23.3%	25.3%	26.2%	27.4%
Profit for the period	563	413	1,541	1,312

NCC Construction Sweden

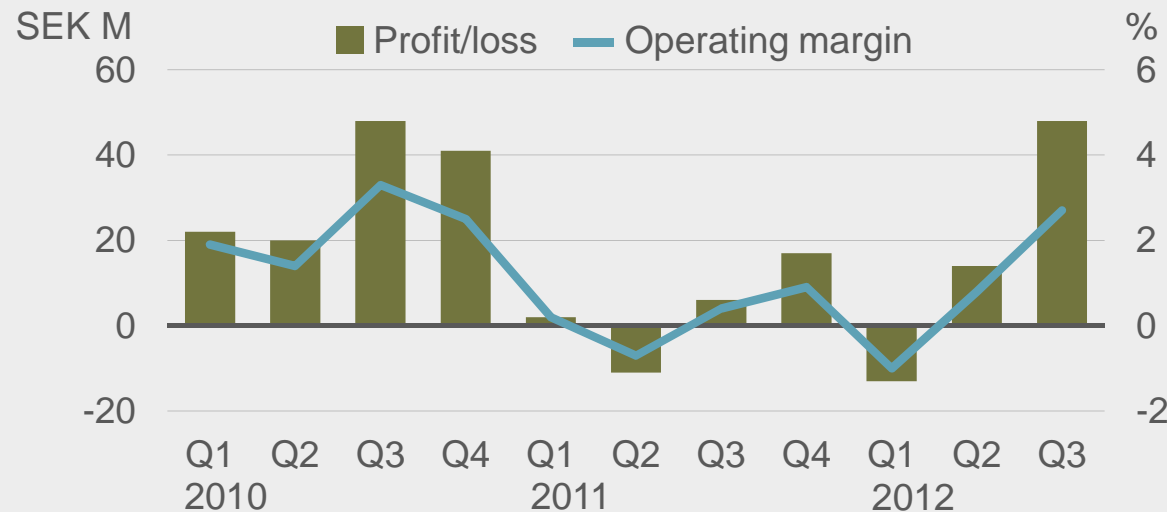
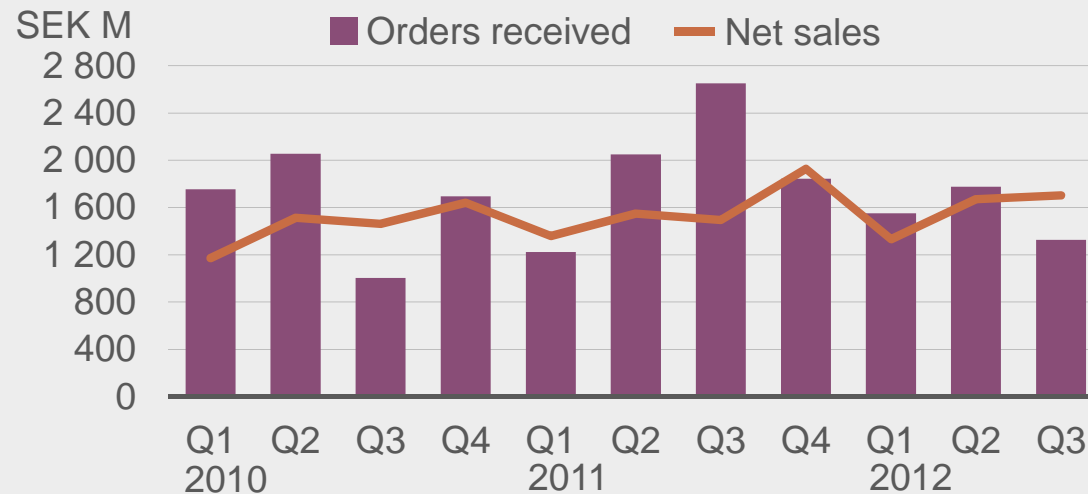


NCC Construction Denmark

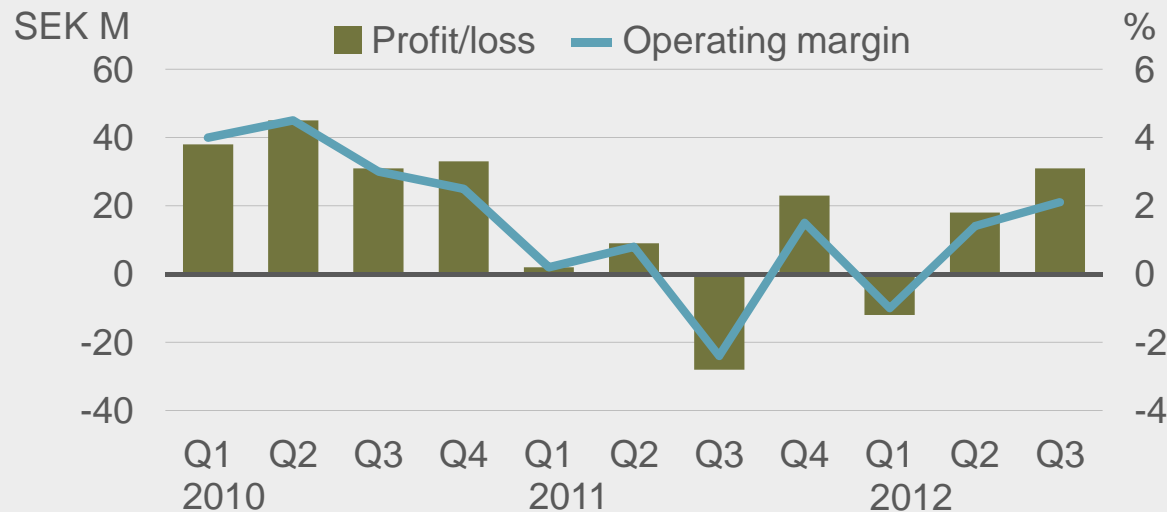
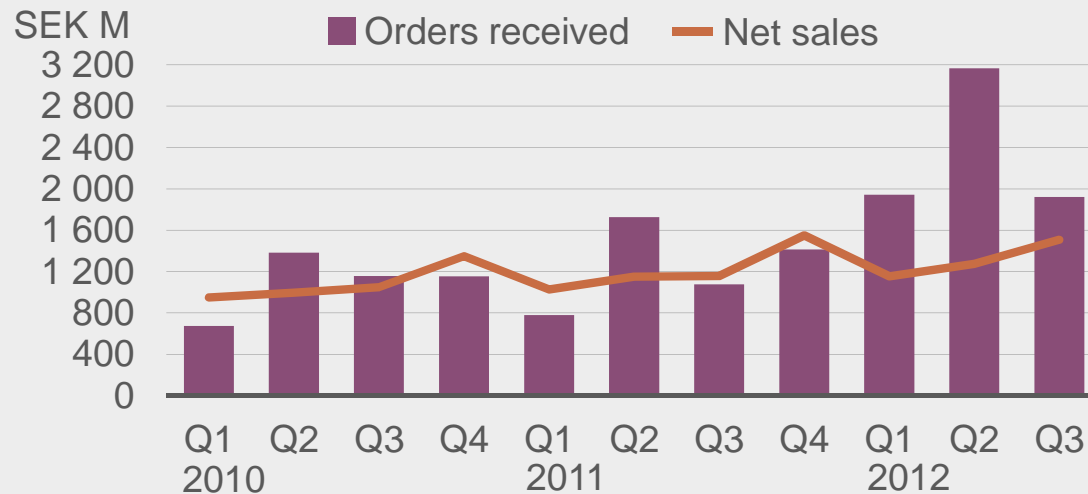


Lyngby Hovedgade, Copenhagen

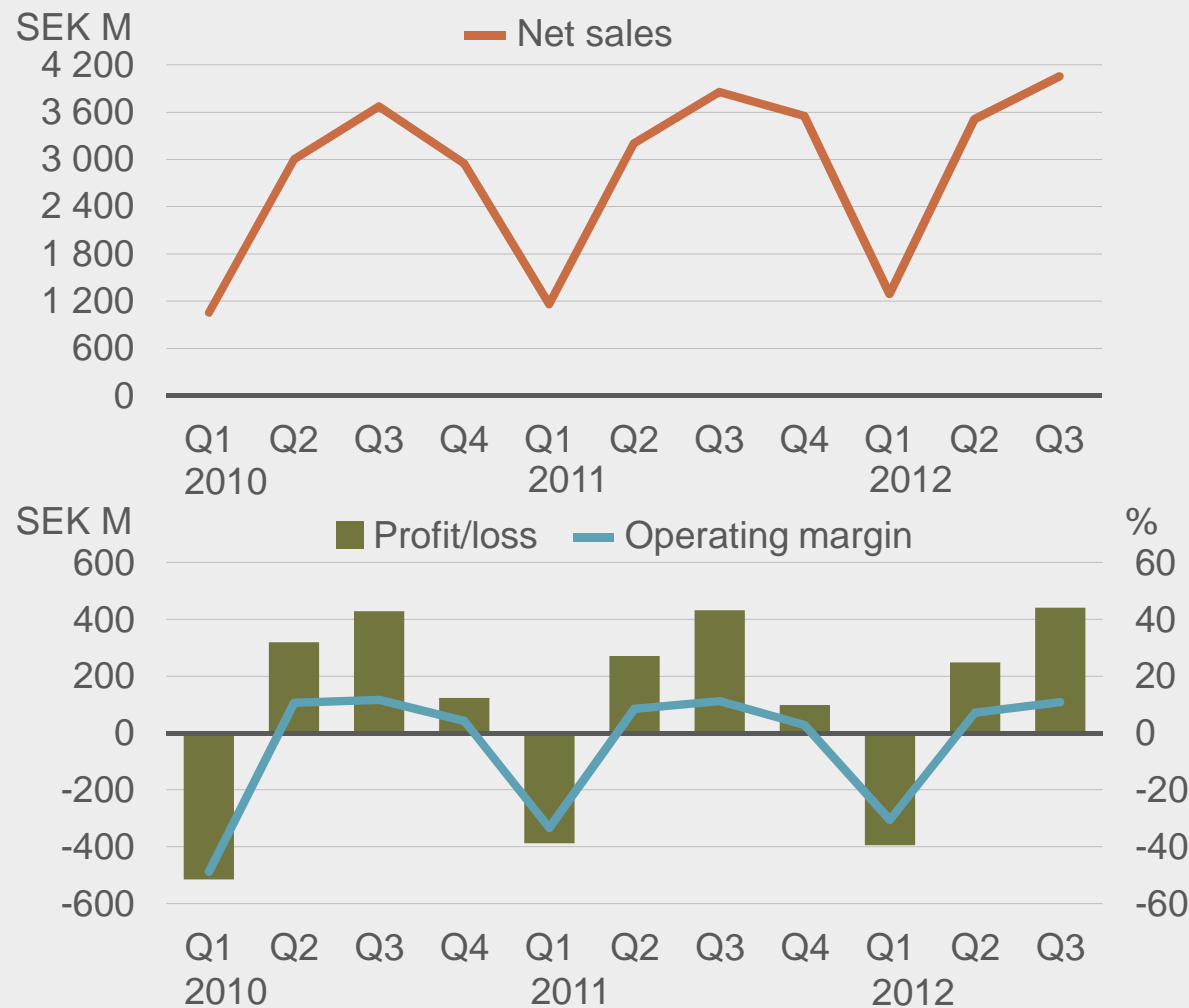
NCC Construction Finland



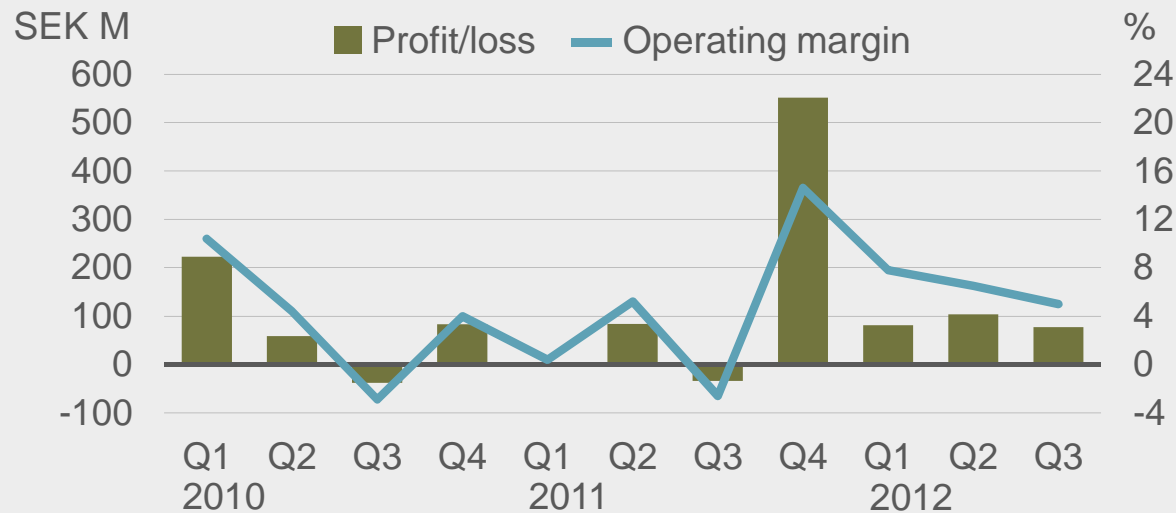
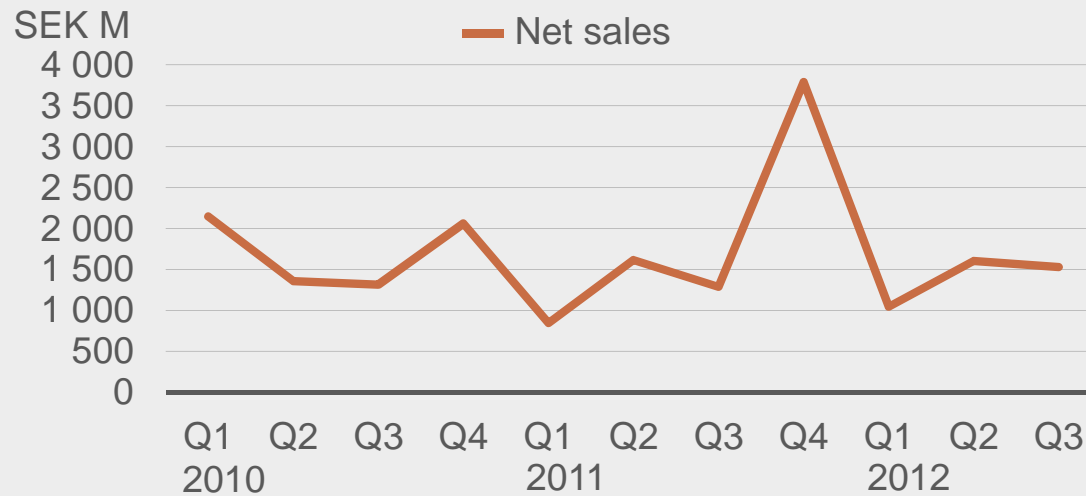
NCC Construction Norway



NCC Roads



NCC Housing



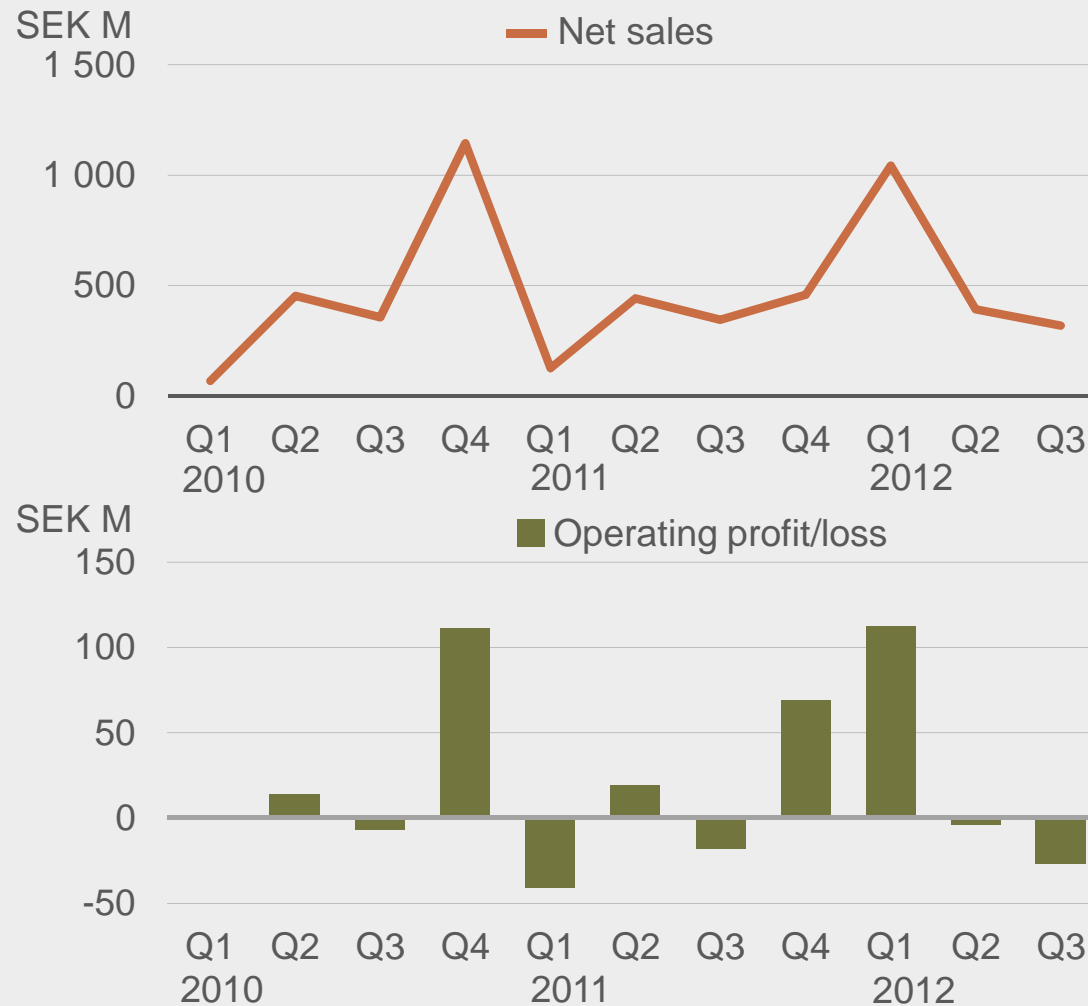
Asturien Lorsch, Germany

Housing units recognized in profit

Number of housing units	Jul-Sep 2012	Jul-Sep 2011
Sweden	103	117
Denmark	15	0
Finland	171	210
Baltic countries	22	50
St. Petersburg	1	0
Norway	97	24
Germany	113	145
Total, private customers	522	546
Investment market	55	0
Total	577	546



NCC Property Development



Koggen 2, Malmö

Operating profit per business area

SEK M	Jul-Sep 2012	Jul-Sep 2011	Oct 11- Sep 12	Jan-Dec 2011
NCC Construction Sweden	227	193	821	777
NCC Construction Denmark	58	41	196	169
NCC Construction Finland	48	6	65	14
NCC Construction Norway	31	-28	60	6
NCC Roads	441	432	393	414
NCC Housing	77	-34	814	606
NCC Property Development	-27	-18	149	28
Other and eliminations	-40	20	-156	4
Operating profit	814	612	2,343	2,017

Balance sheet

SEK BN	Sep 30, 2012	Dec 31, 2011
Goodwill	1.8	1.6
Property projects	5.3	4.5
Housing projects	12.5	9.9
Accounts receivable and property		
Other		
Total		

SEK BN	Sep 30, 2012	Dec 31, 2011
Development properties	2.4	2.3
Ongoing property projects	2.7	1.6
Completed property projects	0.4	0.5
Total property projects	5.3	4.5



Gothenburg harbor

Balance sheet

SEK BN	Sep 30, 2012	Dec 31, 2011
Goodwill	1.8	1.6
Property projects	5.3	4.5
Housing projects	12.5	9.9
Accounts receivable and receivables from property sales	8.6	
Other		
Total		

SEK BN	Sep 30, 2012	Dec 31, 2011
Development properties	5.6	4.8
Development costs	1.3	0.9
Ongoing housing projects	5.2	3.7
Completed housing units	0.4	0.4
Total housing projects	12.5	9.9

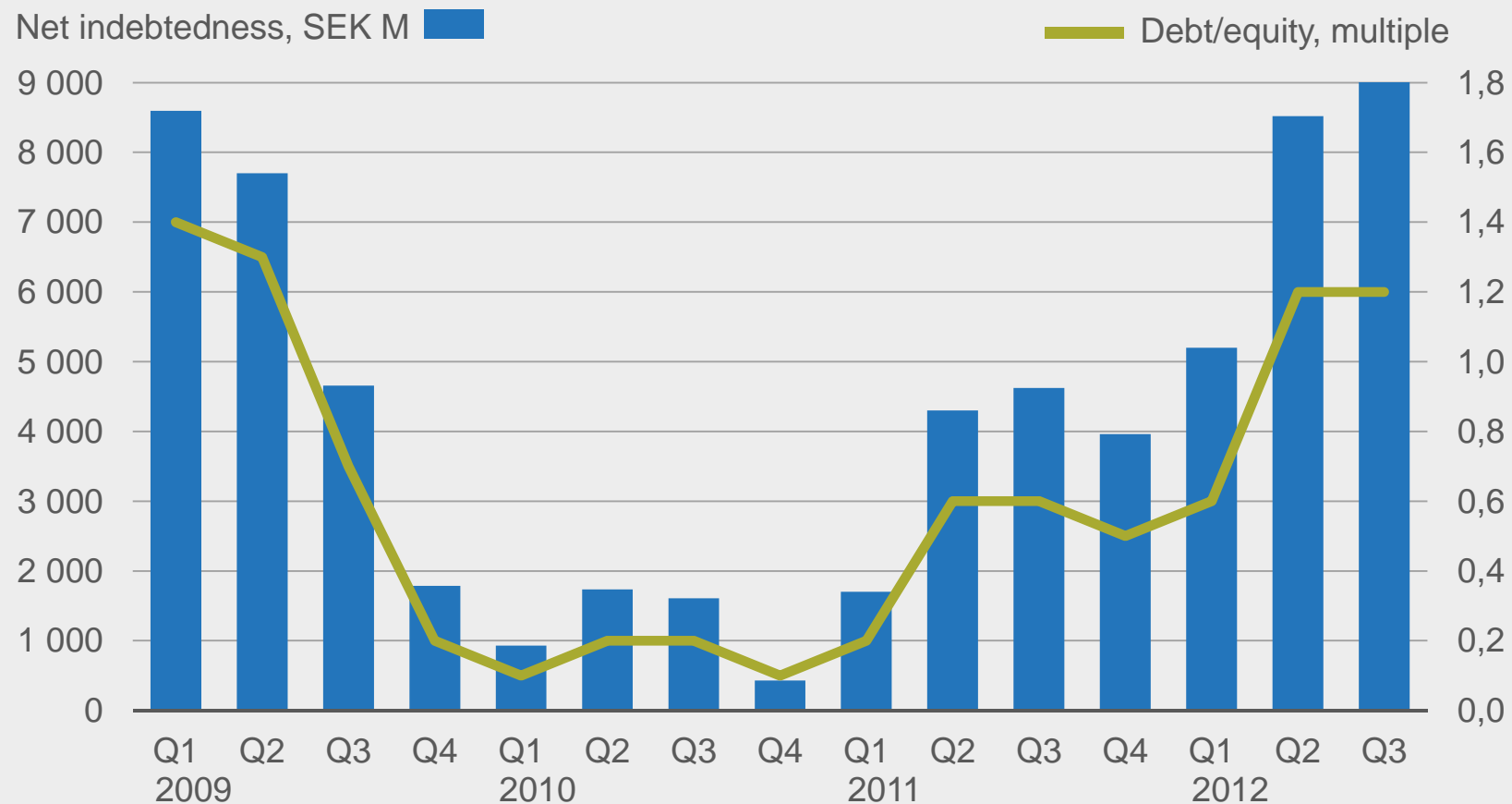


Cash flow

SEK M	Jul-Sep 2012	Jul-Sep 2011	Jan-Sep 2012	Jan-Sep 2011	Jan-Dec 2011
From operating activities	941	578	982	105	1,456
From property projects	-678	-168	-939	-647	-1,472
From housing projects	-1,100	-817	-2,970	-1,948	-1,265
Other working capital	591	157	-346	-10	-266
Investments	-247	-153	-639	-611	-857
Cash flow before financing	-492	-403	-3,913	-3,110	-2,404



Net indebtedness



Long-term financing secured

In 2012, net indebtedness rose SEK 5.1 BN and was financed through

	Amount SEK M	Duration
Listed bonds MTNs	1,100	4 years
	500	3 years
	250	2 years
Private Placement MTNs	400	3 years
Nordic Investment Bank (NOK)	500	7 years
Commercial Paper	1,500	



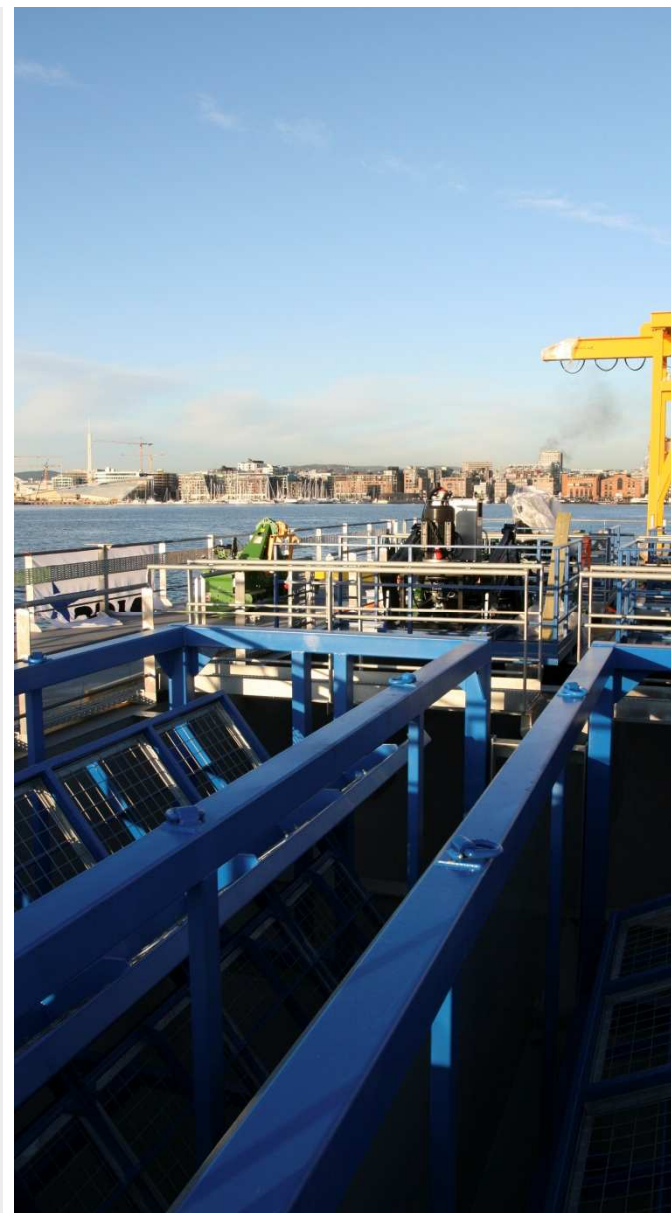
IAS 19 – new accounting policy for pensions in 2013

- Amendment of policy for recognizing pensions
 - use of corridor method discontinued
- Effect
 - No impact on earnings for 2012
 - Shareholders' equity down SEK 1 BN



Possible reduction in corporate tax could also impact earnings for 2012

- The government has proposed that corporate tax be reduced from 26.3% to 22% as of January 1, 2013
- If the bill is passed in November, it will impact NCC's profits for 2012
- The deferred tax liability will be reduced by at least SEK 100 M



Summary Q3 2012

Summary

- Healthy earnings – in line with my anticipations
- Better profitability in construction operations
- Better housing sales
- Weaker market and difficult-to-access outlook
- NCC is well equipped





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