

Q3
2024



Good orders received and improved earnings

“Yet another stable quarter for NCC, primarily due to improvements in the Industry and Building Nordics business areas.”

Tomas Carlsson, President and CEO of NCC

- Improved orders received in the third quarter, primarily in Infrastructure and Building Sweden
- Net sales for the quarter in line with the preceding year
- Operating profit for the quarter improved by approximately 8 percent compared to the same quarter last year, adjusted for positive nonrecurring effects in the third quarter of 2023 (divestment of Bergnäset)
- Cash flow was lower than in the preceding year due to higher working capital and the divestment of Bergnäset in the comparative quarter

Third quarter 2024

- Orders received amounted to SEK 13,264 M (9,681)
- Net sales totaled SEK 14,277 M (14,022)
- Operating profit amounted to SEK 665 M (789)
- Operating profit amounted to SEK 665 M (614), excluding the divestment of Bergnäset in the comparative quarter
- Profit after financial items totaled SEK 612 M (771)
- Profit after tax was SEK 472 M (621)
- Earnings per share after dilution amounted to SEK 4.83 (6.36)

January-September 2024 period

- Orders received amounted to SEK 41,281 M (40,660)
- Net sales totaled SEK 41,287 M (41,341)
- Operating profit amounted to SEK 1,188 M (1,444)
- Operating profit amounted to SEK 1,188 M (1,269), excluding the divestment of Bergnäset in the comparative period
- Profit after financial items totaled SEK 1,085 M (1,449)
- Profit after tax was SEK 851 M (1,181)
- Earnings per share after dilution amounted to SEK 8.71 (12.09)

SEK M	Q3		Jan-Sep		R12 Oct-Sep	Jan-Dec
	2024	2023	2024	2023	2023/2024	2023
Orders received	13,264	9,681	41,281	40,660	57,440	56,819
Order backlog	53,498	54,594	53,498	54,594	53,498	53,422
Net sales	14,277	14,022	41,287	41,341	56,878	56,932
Operating profit/loss	665	789	1,188	1,444	1,546	1,802
Operating margin, %	4.7	5.6	2.9	3.5	2.7	3.2
Profit/loss after financial items	612	771	1,085	1,449	1,439	1,803
Net profit/loss for the period	472	621	851	1,181	1,243	1,573
Profit/loss per share after dilution, SEK	4.83	6.36	8.71	12.09	12.72	16.11
Cash flow from operating activities	-244	563	-342	-255	720	807
Cash flow before financing	-309	764	-650	-491	201	361
Net cash +/-Net debt -	-5,948	-3,710	-5,948	-3,710	-5,948	-4,310

For definitions of key figures, see ncc.com/investor-relations/ncc-share/financial-definitions/

CEO Tomas Carlsson comments

The third quarter of the year was stable for NCC, with higher orders received, unchanged net sales and improved underlying operating profit. This was attributable to continued improvements in Industry and Building Nordics. The construction market remains healthy in several segments, although we are still awaiting the effects of implemented and anticipated interest rate cuts. This is also impacting the market for property transactions, which remains weak with low activity during the quarter.

The Infrastructure business area continued to display stability and is making steady progress. Compared with the preceding year, Infrastructure reported a healthy increase in orders received.

The Building Nordics business area continued to improve its earnings and margin. Finland made distinct progress and Norway also improved. Denmark continued to deliver at a stable level.

The Building Sweden business area reported good orders received, which included a major sub-order as part of an ongoing hospital project. We are still targeting the public market and taking great care to select the right projects.

During the second quarter, our new Green Industry Transformation business area signed a long-term agreement with LKAB and we are continuing to engage in dialogue with major industrial projects driven by the green transition.

The asphalt and stone materials operations of the Industry business area continued to perform well and the business area reported a higher margin. Our focused work on pricing, increased volumes in the asphalt operations and lower costs contributed.

Our Property Development business area is still impacted by the cautious property transactions market. For us, the quarter did not lead to any project starts or sales. There is always a certain amount of activity in this market, and we stand prepared when the market picks up.



The construction market continues to show a mixed picture. There is good demand and a positive outlook, particularly in infrastructure, industry and public buildings. The geopolitical situation and the transition to a more sustainable society are two underlying drivers that support continued investment needs throughout the Nordic region. Maintenance backlogs and the build-out of infrastructure such as roads, electricity, and water networks are other factors driving demand.

Interest rate cuts will likely boost activity in housing construction and property transactions. But we know from experience that it takes longer than we would like before we will be able to see clear signs of increased activity in new residential and office construction. Our long-term efforts to create an efficient organization – which is rigorous and disciplined and well positioned to address the right customer segments – provide stability.

We are seeing early signs of a better market for our entire offering. In the meantime, we are continuing our focused efforts to deliver on our core capability, which is to manage complex construction projects that yield the best results for our customers. With yet another stable quarter, we are taking further steps on this journey.

Tomas Carlsson, President and CEO
Solna, October 25, 2024

Group performance

Market

In the main, NCC is impacted by the general economic situation and the GDP trend. Cost increases, high interest rates and uncertainty about future economic development have a dampening effect on the market. High interest rates also affect interest in investing in new properties. There is continued uncertainty concerning future economic developments despite signals indicating a stabilization.

At the same time, the long-term market conditions for contracting operations, property development and industrial operations in the Nordic region remain positive. There are plans for large industrial investments in parts of Sweden. There is an underlying demand for public buildings, such as schools, prisons, hospitals and retirement homes. However, the economic situation in municipalities and regions could reduce or delay demand in some cases.

Urban expansion and the emergence of new growth regions are driving initiatives for infrastructure in city areas, including roads, public transport, water and wastewater, and energy solutions. In general, the market for renovation and refurbishment is also healthy. Furthermore, there is a long-term underlying need for residential units, although the market continues to be strongly negatively impacted by the economic conditions.

The countries in which NCC has infrastructure operations have ambitious plans and investment initiatives in renewal, refurbishment and maintenance of national and regional infrastructure. Demand for asphalt and stone materials is driven by investments in infrastructure and maintenance, as well as general construction and, to some extent, the economic situation of public customers.

Net sales and earnings

Net sales totaled SEK 14,277 M (14,022) in the third quarter, and SEK 41,287 M (41,341) for the January-September period. Net sales increased in Industry and Infrastructure but decreased in the other business areas during the January-September period. In the January-September period, exchange rate effects had an impact of SEK -235 M (894) on net sales.

Operating profit amounted to SEK 665 M (789) in the third quarter and to SEK 1,188 M (1,444) for the January-September period. The lower operating profit for the quarter and the January-September period was mainly attributable to the divestment of the Bergnäset subsidiary during the comparative quarter, which had a positive impact of SEK 175 M on operating profit. Adjusted for this effect, operating profit increased in the quarter. Operating profit in the Building Sweden and Infrastructure business areas deteriorated during the quarter. In the Property Development business area, higher rental revenues contributed to improved operating profit compared with the corresponding quarter in the preceding year. The positive performance in Industry was mainly attributable to the asphalt operations in the quarter. Operating profit in Building Nordics was somewhat higher, attributable to the operations in Norway.

The operating margin for both the quarter and the January-September period was lower year-on-year primarily due to the divestment of Bergnäset in the comparative period. On a rolling twelve-month basis, NCC had an operating margin of 2.7 percent (3.5).

Net financial items amounted to SEK -53 M (-18) in the third quarter and to SEK -104 M (5) in the January-September period. Higher corporate net debt and higher interest rates as well as lower capitalized interest in Property Development were the factors behind the increase.

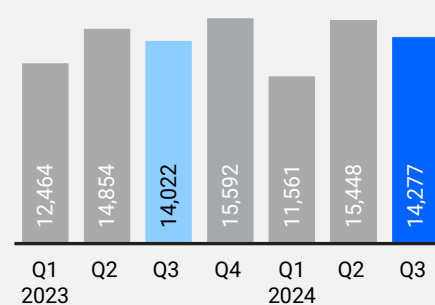
Orders received, Jan-Sep, SEK M

41,281

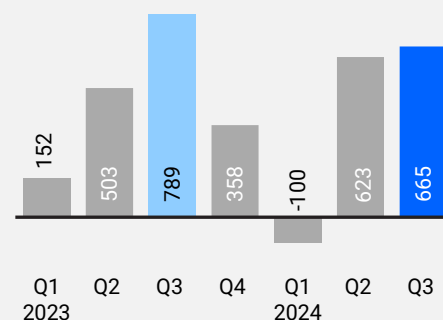
Net sales, Jan-Sep, SEK M

41,287

Net sales, SEK M



Operating profit, SEK M



Effective tax

The effective tax rate for the Group amounted to 22 percent (19). During the January-September period, one minor tax-free property sale was completed. In 2023, one major tax-free property sale was completed, as well as one sale of land.

Cash flow

Cash flow before financing amounted to SEK -309 M (764) for the quarter, and to SEK -650 M (-491) for the January-September period. The weaker cash flow was mainly attributable to large outflows of accounts payable at the end of September/start of October and the divestment of Bergnäset in the comparative quarter. Cash flow for the January-September period also declined due to outflows of accounts payable, which were offset by lower investments in property projects.

Liquid assets at the end of the period amounted to SEK 847 M (1,125).

Debt and total assets

At September 30, the Group's net debt amounted to SEK -5,948 M (-3,710). The change was attributable to higher pension debt, weaker cash flow before financing and a higher dividend this year.

Corporate net debt, meaning net debt excluding pension debt and lease liabilities, amounted to SEK -3,891 M (-2,787). The increase is mainly referable to investments in property projects.

At September 30, the Group's total assets amounted to SEK 33,087 M (33,922). Property development projects increased but were offset by lower fixed assets. In terms of liabilities, current liabilities decreased.

The average maturity of interest-bearing liabilities, excluding pension debt and lease liability, was 20 months (18) at the end of the quarter. At September 30, 2024, NCC's unutilized committed lines of credit totaled SEK 5.4 billion (4.9), with an average remaining maturity of 19 months (21).

Capital employed

At September 30, capital employed amounted to SEK 14,417 M (13,786). The increase was mainly due to investments in property projects. The return on capital employed was 12 percent (16).

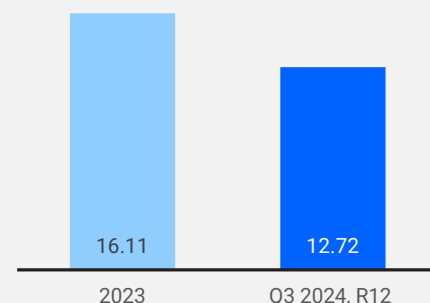
The return on equity was 17 percent (22).

Financial targets and dividend policy

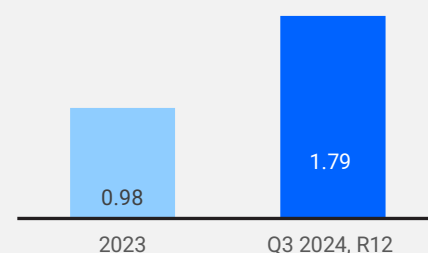
NCC has two financial targets: earnings per share and net debt in relation to EBITDA. The target is for earnings per share in the short to medium term to be a minimum of SEK 16. On a rolling 12-month basis, earnings per share amounted to SEK 12.72 after the third quarter. The target for corporate net debt is that it is to be less than 2.5 times EBITDA. After the third quarter of 2024, corporate net debt amounted to 1.79 times EBITDA on a rolling twelve-month basis.

NCC's dividend policy states that approximately 60 percent of after-tax profit for the year is to be distributed to shareholders. For 2023, NCC's Annual General Meeting resolved in favor of a dividend of SEK 8 per share, corresponding to 50 percent of after-tax profit for the year. The dividend will be paid on two occasions. The record date for the first payment of SEK 4 per share was April 11, 2024, with disbursement on April 16, 2024. For the second payment of SEK 4 per share, the record date is November 7, 2024, with payment occurring on November 12, 2024.

	Target
Earnings per share SEK	≥16



	Target
Net debt/EBITDA	<2.5



This refers to corporate net debt, that is, net debt excluding pension debt and lease liability. EBITDA refers to operating profit according to the income statement, with reversal of depreciation and impairment losses according to Note 2 and 3, excluding depreciation/amortization of right-of-use assets.

Health and safety targets

Health and safety is a high priority area in NCC and a prioritized area in the Group's sustainability framework. All levels of the Group are focused on reducing the total number of accidents as well as completely avoiding accidents and incidents that lead to or could lead to serious injury or fatalities. The Group-wide target for the accident frequency rate for accidents that lead to more than four days of absence per million worked hours (LTIF4) for the Group's own employees is to achieve 2.0 by 2026, with annual interim targets.

On a rolling twelve-month basis, the accident frequency rate declined to 3.8, which is a slight improvement compared with the preceding quarter.

The annual Awareness Day was held in September, where work on all projects in the Group stops in order to focus on health and safety routines and behaviors.

Climate and energy targets

NCC reports climate data at six-monthly intervals in interim reports for the first and third quarters. The table on the right shows the change in emission intensity in own operations, Scopes 1 and 2, at June 30, 2024. NCC's target is to reduce emission intensity by 60 percent by 2030 compared with 2015, which means 2.08 CO₂e (ton)/SEK M. At June 30, 2024, the level was 1.8, meaning that the target is currently met. A review of targets and reporting criteria is being conducted as part of planning ahead of reporting according to the future CSRD regulatory framework.

In respect of emissions in the value chain, NCC has chosen to methodically increase the proportion for which detailed data can be collected and reported. NCC has also chosen to prioritize four categories; concrete, steel, asphalt and transportation. The table below shows the results for partial amounts for three of these categories and how emissions have declined since 2015. A partial amount from the transportation category was reported for the first time in the 2023 Annual Report. Additional data collection for the transportation category is ongoing.

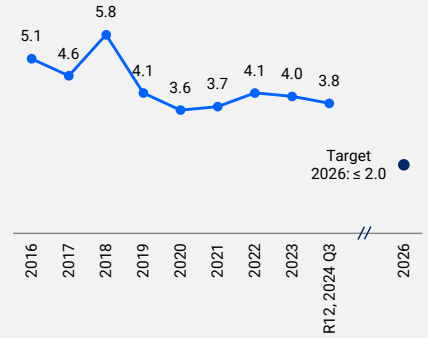
For more details, refer to NCC's Annual Report.

Scope 3	Base year (2015)	2023	R12 at 30 June	Reduction since 2015
Ready-mix concrete(kg CO ₂ e/m ³)	350	271	274	22%
Steel reinforcement(kg CO ₂ e/ton)	1,000	549	484	52%
Asphalt(kg CO ₂ e/ton)	35	26	26	24%
Transportation	Additional data collection is ongoing			

Target
2026

Accident frequency

≤2.0

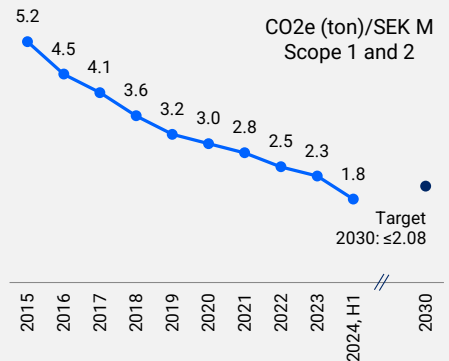


Accident frequency: Worksite accidents resulting in more than four days of absence per one million hours worked.

Target
2030

Emission intensity

≤2.08



The figures for the base year were recalculated due to the divestment of Asphalt Finland, in accordance with the Greenhouse Gas Protocol Corporate Standard.

Earlier, the following values were reported:

2015	2016	2017	2018	2019	2020	2021
5.9	5.0	4.8	4.0	3.7	3.4	3.5

Order status

Orders received and order backlog

Orders received in the third quarter amounted to SEK 13,264 M (9,681), which is an increase of 37 percent, since more large projects were registered. The higher orders received for the quarter were mainly attributable to Building Sweden and Infrastructure. In other business areas, there were minor changes compared with the year-earlier quarter, with Building Nordics declining somewhat due to lower orders received in the Danish and Finnish operations. Industry's orders received declined somewhat compared with the year-earlier quarter, which was attributable to the asphalt operations.

Orders received for the January-September period amounted to SEK 41,281 M (40,660). Orders received mainly increased in Infrastructure and Industry, but decreased in Building Nordics. The higher orders received in Infrastructure was due to more major projects being registered among orders. The higher orders received in Industry was driven by the asphalt operations. The lower orders received in Building Nordics was attributable to the Norwegian and Danish operations. Building Sweden reported higher orders received than in the preceding year due a major sub-order in an ongoing hospital project.

Changes in exchange rates impacted orders received by SEK -240 M (883).

The Group's order backlog amounted to SEK 53,498 M (54,594) at the end of the quarter. The order backlog decreased in Building Nordics and Building Sweden but increased in Infrastructure and Industry.

Changes in exchange rates impacted the order backlog by SEK 233 M (333).

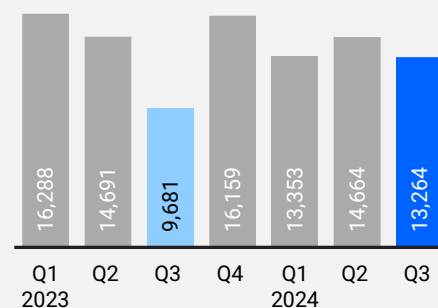
Orders received per business area

SEK M	Q3		Jan-Sep		R12 Oct-Sep	Jan-Dec
	2024	2023	2024	2023	2023/2024	2023
NCC Infrastructure	4,725	2,655	14,365	10,794	20,278	16,707
NCC Building Nordics	2,075	2,461	7,716	12,290	12,080	16,654
NCC Building Sweden	4,579	2,510	9,842	9,452	13,051	12,661
NCC Industry	2,137	2,218	9,933	8,614	12,779	11,459
NCC Other and eliminations	-251	-164	-575	-490	-747	-662
Total orders received NCC	13,264	9,681	41,281	40,660	57,440	56,819

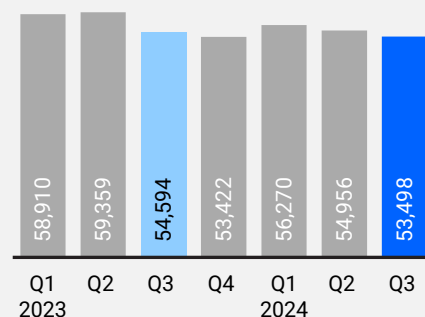
Examples of orders and contracts during the third quarter of 2024. A list of orders valued at more than SEK 150 M is available at ncc.com/ir.

- Building Sweden signed an agreement about the third sub-project in the new emergency hospital in Västerås. The order value is about SEK 2.5 bn
- In Örnsköldsvik, Building Sweden will build new production facilities for BAE Systems Hägglunds. The order value is approximately SEK 560 M
- Infrastructure is to upgrade the water and wastewater network and secure the supply of drinking water in Ale, Sweden, at an order value of SEK 450 M
- In Oxelösund, Building Sweden is continuing to work on SSAB's new industrial building for fossil-free steelmaking. The order value is approximately SEK 400 M
- In Copenhagen, Denmark, Building Nordics is to refurbish 184 rental apartments in Taastrupgaard for about SEK 400 M and 259 rental apartments in Dommerparken for SEK 285 M
- Infrastructure is to construct a new swim center in the center of Visby, Sweden. The order is valued at approximately SEK 300 M
- In Finland, Building Nordics secured the assignment to refurbish a hotel in central Helsinki. The property also contains office premises, retail space and restaurants. The order value is approximately SEK 180 M

Orders received, SEK M



Order backlog, SEK M



NCC Infrastructure

Orders received and order backlog

Orders received amounted to SEK 4,725 M (2,655) in the third quarter and to SEK 14,365 M (10,794) for the January-September period. The higher orders received during the quarter was attributable to Sweden, where several major projects were registered during the period compared with the year-earlier period. The Roads and Railways segments combined accounted for about 40 percent of orders received during the January-September period and increased most. Energy & Water Treatment was the largest segment with one quarter of the volume.

The order backlog was higher year-on-year and amounted to SEK 17,639 M (15,397).

Net sales and earnings

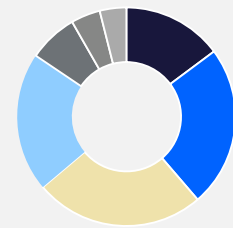
Net sales totaled SEK 4,250 M (4,114) in the third quarter, and SEK 12,679 M (12,651) in the January-September period. Energy & Water Treatment and Railways were the largest segments, accounting for approximately 30 percent of net sales each during the January-September period.

Adjusted for the positive contribution from the divestment of Bergnäset in the comparative period, operating profit amounted to SEK 151 M (158) in the third quarter and to SEK 364 M (366) in the January-September period.

SEK M	Q3		Jan-Sep		R12 Oct-Sep	Jan-Dec
	2024	2023	2024	2023	2023/2024	2023
Orders received	4,725	2,655	14,365	10,794	20,278	16,707
Order backlog	17,639	15,397	17,639	15,397	17,639	16,074
Net sales	4,250	4,114	12,679	12,651	17,696	17,667
Operating profit/loss	151	333	364	541	546	723
Operating profit/loss excl Bergnäset *	151	158	364	366	546	548
Operating margin, %	3.6	8.1	2.9	4.3	3.1	4.1
Operating margin excl Bergnäset, % *	3.6	3.8	2.9	2.9	3.1	3.1

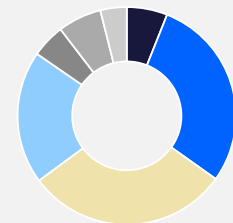
* Refers to operating profit adjusted for the positive impact from the sale of Bergnäset

Orders received, Jan-Sep



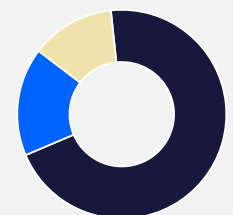
- Roads 15 (7)%
- Railways 24 (9)%
- Energy & Water Treatment 25 (40)%
- Groundworks 21 (26)%
- Industry 7 (3)%
- Foundation engineering 4 (7)%
- Other 4 (8)%

Net sales, Jan-Sep



- Roads 6 (11)%
- Railways 29 (23)%
- Energy & Water Treatment 30 (24)%
- Groundworks 20 (24)%
- Industry 5 (5)%
- Foundation engineering 6 (9)%
- Other 4 (4)%

Net sales, Jan-Sep



- Sweden 70 (74)%
- Denmark 17 (13)%
- Norway 13 (13)%

Share of net sales Jan-Sep

30%

NCC Building Nordics

Orders received and order backlog

Orders received amounted to SEK 2,075 M (2,461) in the third quarter and to SEK 7,716 M (12,290) for the January-September period. The lower orders received in the quarter was mainly attributable to the Danish operations. The lower orders received in the January-September period was attributable to Denmark and Norway, which registered more large projects in the preceding year. In Finland, orders received increased from a low level. Public Buildings and Refurbishment/Conversion each accounted for slightly more than one-third of total orders received. The increase in Refurbishment/Conversion was due to three new major projects in the January-September period. The proportion of Other, which includes hotels and industrial buildings, was lower than in the year-earlier period as a major hotel order in Aarhus was reported in the comparative period. Residential and Offices remained weak segments.

The order backlog was lower than in the preceding year and amounted to SEK 16,637 M (18,747).

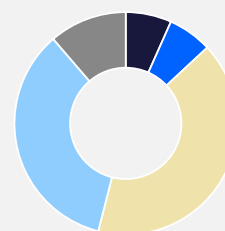
Net sales and earnings

Net sales totaled SEK 3,210 M (3,576) in the third quarter, and SEK 10,023 M (10,835) in the January-September period. The challenging market in Finland was the reason for the lower net sales. The organization has been adapted accordingly. Public Buildings accounted for just over one-third of net sales.

Operating profit increased to SEK 104 M (93) during the quarter and to SEK 242 M (204) for the January-September period. The higher operating profit for the period was mainly attributable to increased profitability in both Finland and Norway. Denmark continued to report strong operating profit.

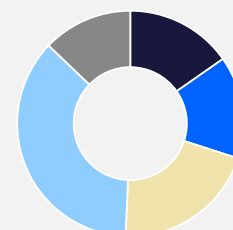
SEK M	Q3		Jan-Sep		R12 Oct-Sep	Jan-Dec
	2024	2023	2024	2023	2023/2024	2023
Orders received	2,075	2,461	7,716	12,290	12,080	16,654
Order backlog	16,637	18,747	16,637	18,747	16,637	18,684
Net sales	3,210	3,576	10,023	10,835	13,803	14,615
Operating profit/loss	104	93	242	204	381	343
Operating margin, %	3.2	2.6	2.4	1.9	2.8	2.3

Orders received, Jan-Sep



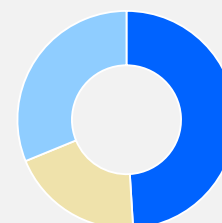
- Offices 7 (7)%
- Residential 6 (8)%
- Refurbishment/Conversion 41 (17)%
- Public Buildings 35 (43)%
- Other 11 (25)%

Net sales, Jan-Sep



- Offices 15 (17)%
- Residential 15 (23)%
- Refurbishment/Conversion 21 (20)%
- Public Buildings 36 (30)%
- Other 13 (10)%

Net sales, Jan-Sep



- Denmark 49 (48)%
- Norway 20 (16)%
- Finland 31 (36)%

Share of net sales Jan-Sep

23%

NCC Building Sweden

Orders received and order backlog

Orders received amounted to SEK 4,579 M (2,510) in the third quarter and to SEK 9,842 M (9,452) for the January-September period. The improved orders received in the quarter was attributable to an agreement to start production of the third sub-project in Region Västmanland's new emergency hospital in Västerås. The order value is approximately SEK 2.5 billion. Orders received for Offices and Residential continued to decline due to the prevailing market situation. Public Buildings accounted for the highest share of orders received. The increase in the Other segment during the January-September period was due to several industrial projects, including a new train maintenance depot in Solna, and accounted for just over one quarter of total orders received. Just over 90 percent of orders received for residential units comprised rental apartments. Orders received were partly impacted by the market situation, with somewhat longer processes, and where NCC is exercising a high level of discipline in selecting projects.

The order backlog was lower year-on-year but still in line with net sales for one year and amounted to SEK 16,574 M (18,293) at the end of the quarter.

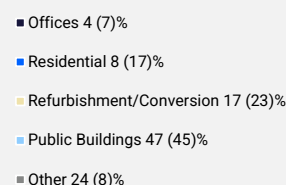
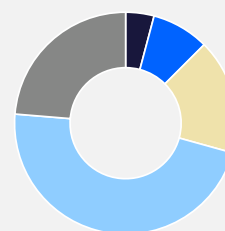
Net sales and earnings

Net sales for the quarter were in line with the comparative period and amounted to SEK 2,959 M (2,970) and were somewhat lower for the January-September period when it amounted to SEK 10,020 M (10,203). Public Buildings accounted for the highest share of total net sales in the January-September period.

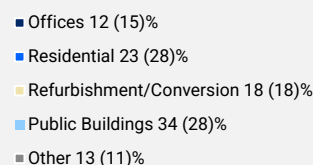
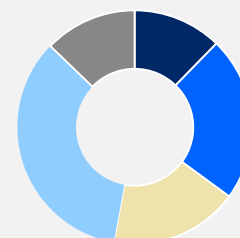
Operating profit amounted to SEK 45 M (59) in the third quarter and to SEK 172 M (191) in the January-September period.

SEK M	Q3		Jan-Sep		R12 Oct-Sep	Jan-Dec
	2024	2023	2024	2023	2023/2024	2023
Orders received	4,579	2,510	9,842	9,452	13,051	12,661
Order backlog	16,574	18,293	16,574	18,293	16,574	16,753
Net sales	2,959	2,970	10,020	10,203	14,292	14,475
Operating profit/loss	45	59	172	191	252	272
Operating margin, %	1.5	2.0	1.7	1.9	1.8	1.9

Orders received, Jan-Sep



Net sales, Jan-Sep



Share of net sales Jan-Sep

24%

NCC Industry

Orders received

Orders received amounted to SEK 2,137 M (2,218) in the third quarter and to SEK 9,933 M (8,614) for the January-September period. The higher orders received during the period were primarily attributable to the asphalt operations.

Net sales and earnings

Net sales increased year-on-year and amounted to SEK 4,140 M (3,862) in the third quarter and to SEK 9,065 M (8,391) for the January-September period. The higher net sales during the January-September period were primarily attributable to increased prices and volumes in the asphalt operations but also to higher prices in the stone materials operations.

Operating profit amounted to SEK 338 M (281) in the third quarter and to SEK 393 M (301) in the January-September period. During the quarter, primarily the asphalt operations, but also the stone materials operations, contributed positively. Operating profit in the January-September period also increased year-on-year, primarily driven by the stone materials operations and generally lower expenses.

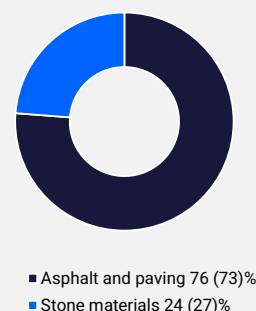
Operating capital employed

Operating capital employed was lower than in the preceding year due to reduced fixed assets.

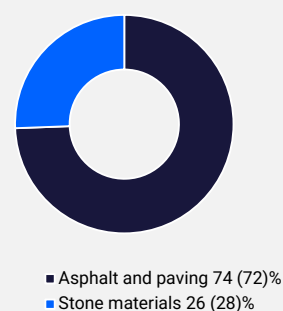
SEK M	Q3		Jan-Sep		R12 Oct-Sep	Jan-Dec
	2024	2023	2024	2023	2023/2024	2023
Orders received	2,137	2,218	9,933	8,614	12,779	11,459
Net sales	4,140	3,862	9,065	8,391	12,159	11,485
Operating profit/loss	338	281	393	301	492	400
Operating margin, %	8.2	7.3	4.3	3.6	4.0	3.5
Operating capital employed ¹	4,580	4,820	4,580	4,820	4,580	4,090
Stone thousand tonnes, sold volume	6,642	6,647	19,211	19,480	25,341	25,610
Asphalt thousand tonnes, sold volume	1,792	1,716	3,713	3,435	4,936	4,657
Return on operating capital employed, % ¹					11.3	8.9

1) See definition at NCC:s website, ncc.com/investor-relations/ncc-share/financial-definitions/

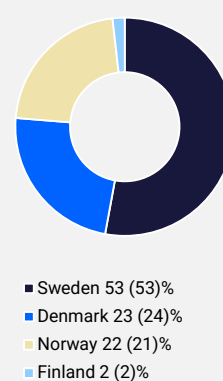
Orders received, Jan-Sep



Net sales, Jan-Sep



Net sales, Jan-Sep



Share of net sales Jan-Sep

21%

NCC Property Development

Net sales and earnings

Net sales totaled SEK 104 M (69) in the third quarter, and SEK 865 M (1,277) in the January-September period.

Operating profit amounted to SEK 37 M (-18) in the third quarter and to SEK 155 M (201) in the January-September period. No projects were recognized in profit during the quarter. In the January-September period, one logistics project, Arendal Albatross in Sweden, was recognized in profit. Higher rental revenues from several projects in Sweden and Finland made a positive contribution to earnings during the quarter and the January-September period. In addition, a minor supplementary purchase consideration was received during the period for the Kontorværket 1 project in Denmark when certification was obtained. The preceding year included earnings primarily from the recognition of one large project in profit, Kontorværket 1 in Denmark, and one sale of land with development rights in Sweden (Järva krog).

Property projects

No projects were started during the January-September period. Last year, one project was started in Sweden, Park Central.

Letting amounted to 16,500 square meters (15,300) in the January-September period, including 2,700 square meters (1,900) in the third quarter. During the January-September period, a total of 14 new leases (22) were signed in Sweden and Finland, of which 3 (4) were signed in the third quarter.

At the end of the quarter, 10 projects (11) were ongoing or completed but not yet recognized in profit. Costs incurred in all projects amounted to SEK 9.7 billion (8.5), corresponding to a total completion rate of 83 percent (73). The completion rate for ongoing projects was 47 percent (56). The total letting rate during the quarter was 72 percent (59). Operating net amounted to SEK 68 M (34) in the third quarter and to SEK 193 M (101) for January-September period.

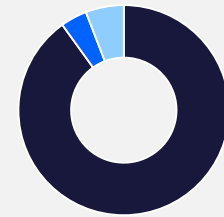
Operating capital employed

Operating capital employed increased and amounted to SEK 10,157 M (9,225) at the end of the quarter. The increase was attributable to investments in ongoing projects.

SEK M	Q3		Jan-Sep		R12 Oct-Sep	Jan-Dec
	2024	2023	2024	2023	2023/2024	2023
Net sales	104	69	865	1,277	965	1,376
Operating profit/loss	37	-18	155	201	197	243
Operating margin, %	36.1	-26.7	17.9	15.7	20.4	17.7
Operating capital employed ¹	10,157	9,225	10,157	9,225	10,157	9,592
Return on operating capital employed, % ¹					2.1	2.8

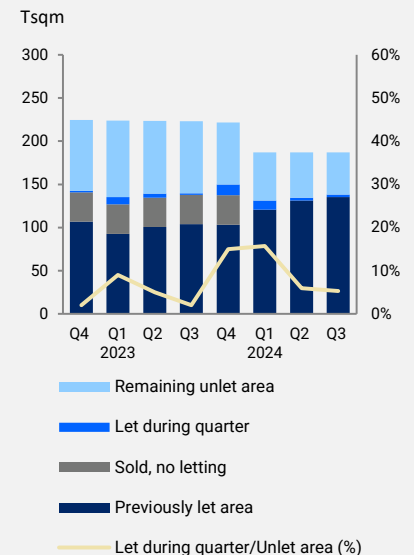
1) See definition at NCC:s website, ncc.com/investor-relations/ncc-share/financial-definitions/

Net sales, Jan-Sep



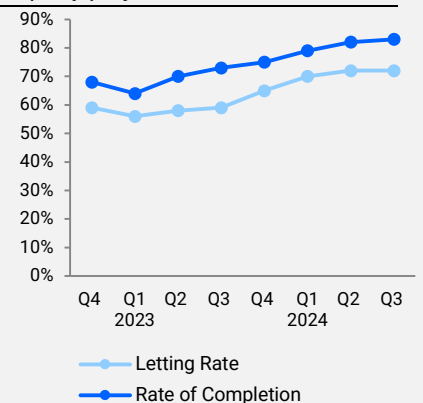
■ Sweden 90 (27%)
■ Denmark 4 (73%)
■ Finland 6 (0%)

Letting¹



1) Total letting also includes previously sold and profit-recognized property projects where NCC works with letting.

Property projects



Share of net sales Jan-Sep

2%

NCC Property Development

Property development projects as of 2024-09-30

Ongoing Property development projects¹

Project	Type	Location	Sold, estimated recognition in profit	Completion ratio, %	Lettable area (sqm)	Letting ratio, % ⁴
Flow Hyllie	Office	Malmö		79	10,200	63
Habitat 7	Office	Gothenburg		72	7,800	36
Park Central ³	Office	Gothenburg	Q2 2027	22	15,200	21
Total Sweden				47	33,200	35
Total				47	33,200	35

Completed Property development projects¹

Project	Type	Location	Sold, estimated recognition in profit	Lettable area (sqm)	Letting ratio, % ⁴
We Land	Office	Helsinki		20,800	84
Kulma21	Office	Helsinki		7,700	100
Total Finland				28,500	89
MIMO ²	Office	Gothenburg	Q4 2024	31,300	71
Nova	Office	Solna		9,800	33
Bromma Blocks	Office	Stockholm		52,400	79
Våghuset	Office	Gothenburg		10,900	99
Brick Studios	Office	Gothenburg		16,100	97
Total Sweden				120,500	78
Total				149,000	80

1) The tables refers to ongoing or completed property projects that have not yet been recognized as revenue. In addition to these projects, NCC also focuses on rental (rental guarantees / additional purchase) in three previously sold and revenue recognized property projects, which corresponds to a maximum of approximately SEK 2 M in potential positive earnings effect.

2) 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 percent or more.

3) The project covers a total of approximately 40,000 square meters and lettable area of approximately 30,400 square meters. The project is carried out together with Jernhusen, a Swedish state-owned property company. In December 2021 an agreement was entered to jointly develop Park Central in joint venture through a jointly owned company. NCC has acquired 50 percent of the property-owning company from Jernhusen that will repurchase the part when the property is completed and certain criteria is fulfilled. The data in the table refers to NCC's share of the project.

4) The proportion of expected rental income represented by signed leases (also known as the economic occupancy rate).



Other operations

NCC Green Industry Transformation

The Green Industry Transformation business area was formed on January 1, 2024. The business area will build up contracting operations focused on large projects driven by the green industrial transition and that require specific expertise and resources.

During the second quarter, a long-term strategic partnering agreement with LKAB was signed for construction projects in the Swedish Ore Fields, where planning commenced and proceeded during the third quarter.

Other and eliminations

SEK M	Q3		Jan-Sep		R12 Oct-Sep	Jan-Dec
	2024	2023	2024	2023	2023/2024	2023
NCC's Group function and business area NCC Green Industry Transformation	-48	-14	-275	-175	-415	-315
Eliminations of internal profits	-8	7	-2	13	-33	-18
Pensions defined-benefit obligations	46	52	147	167	170	190
Other adjustments and eliminations	-2	-4	-8	1	-44	-35
Operating profit/loss	-11	42	-138	5	-322	-179

Operating profit for Other and eliminations was lower year-on-year for both the quarter and the January-September period.

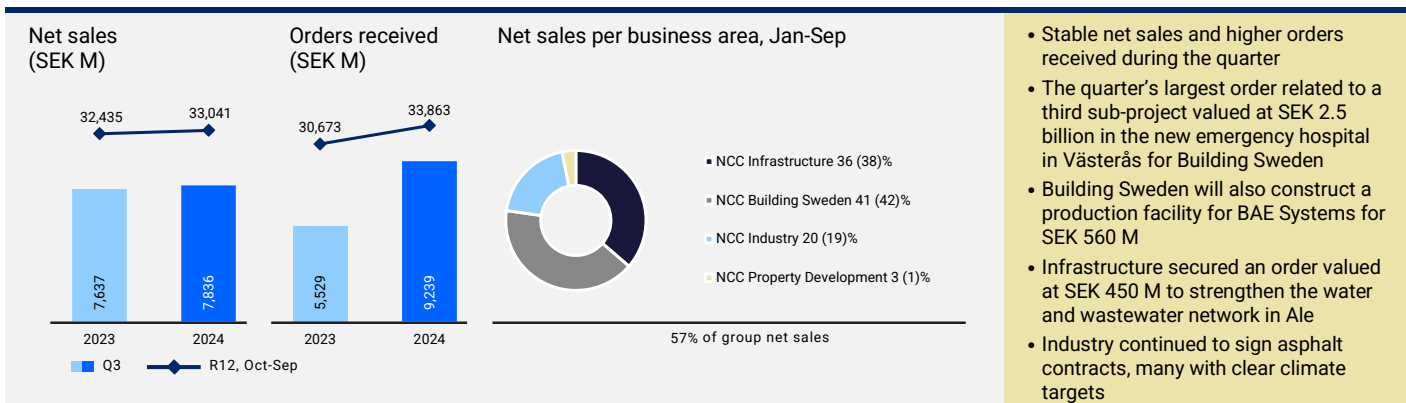
The costs for Group functions increased. This was mainly due to increased costs arising from continued investments in new IT platforms and applications. These costs represent about 30 percent of the shared costs and are expected to be about SEK 40-60 M higher in the coming years. The costs for the new Green Industry Transformation business area are also included, but they only correspond to about 5-10 percent of total costs. Group costs, excluding any non-recurring items, are approximately at the same level in the first and second halves of the year, with variations between quarters, whereby the third quarter is usually lower than the others.

Higher activity in all three ongoing projects in Property Development negatively impacted the elimination of internal gains during the quarter. No property projects were recognized in profit during the quarter.

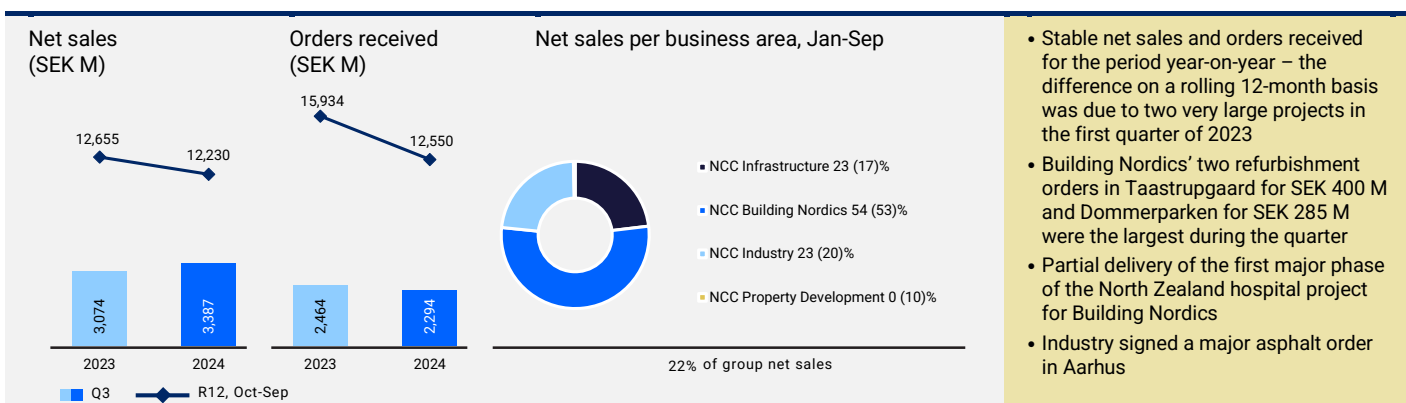
Pension costs pertain to the impact of defined-benefit pensions in accordance with IAS 19.

Geographical areas

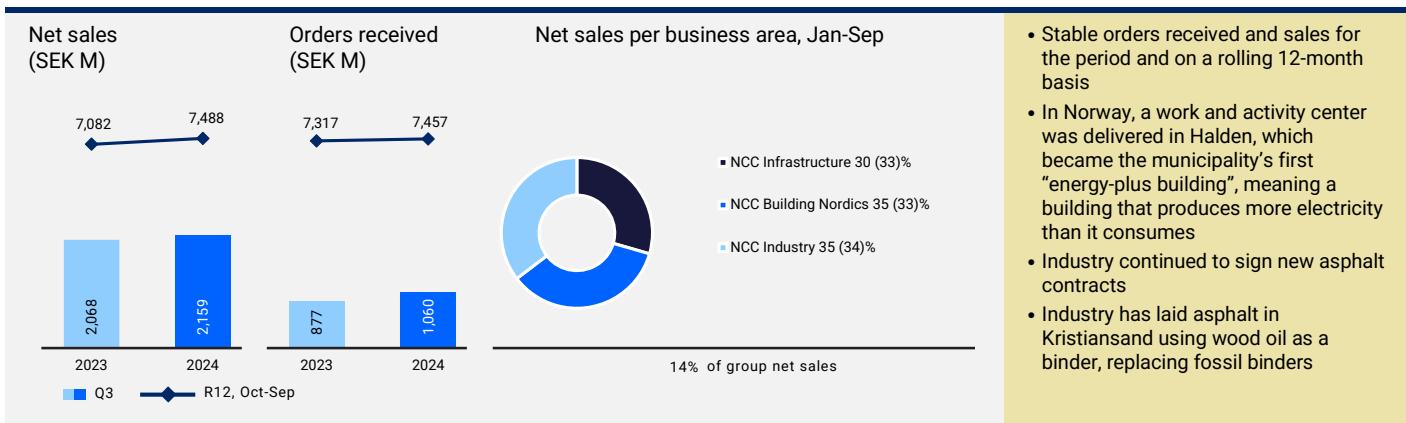
Sweden



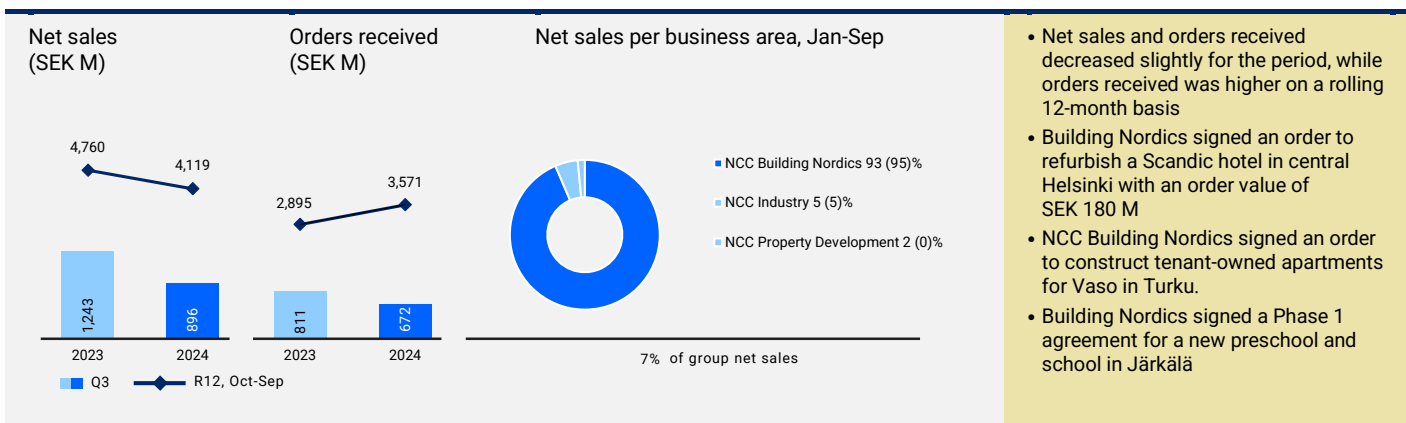
Denmark



Norway



Finland



Other disclosures

Significant risks and uncertainties

A description of the risks to which NCC may be exposed is provided in the 2023 Annual Report (pages 27–32). This assessment still applies.

Related-party transactions

Related parties are NCC's subsidiaries, associated companies and joint arrangements. Related-company sales during the third quarter amounted to SEK 10 M (11) and purchases to SEK 5 M (6). For the January-September period, sales amounted to SEK 23 M (29) and purchases to SEK 11 M (14).

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.

Amounts and dates

Unless otherwise indicated, amounts are stated in SEK millions (SEK M). All comparative figures in this report pertain to the year-earlier period. Rounding-off differences may arise in all tables.

Repurchase of shares

At September 30, NCC AB had a total of 1,968,589 Series B shares in treasury to cover the commitments according to the long-term incentive programs.

Dividend

NCC's Annual General Meeting resolved in favor of a dividend of SEK 8.00 (6.00) per share, divided between two payment occasions. The record date for the first payment of SEK 4.00 was April 11, 2024, with disbursement on April 16, 2024. The record date for the second payment of SEK 4.00 is November 7, 2024, with payment occurring on November 12, 2024.

Financial calendar

Interim report Q4 and Jan-Dec 2024: February 10, 2025

Interim report Q1 2025: April 29, 2025

Annual General Meeting, Stockholm, May 7, 2025

Interim report Q2 and Jan-Jun: July 15, 2025

Interim report Q3 and Jan-Sep: October 23, 2025

The Annual Report for 2024 will be published not later than April 15, 2025.

Signatures

Solna, October 25, 2024

Tomas Carlsson
President and CEO

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, 2024 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, October 25, 2024

Öhrlings PricewaterhouseCoopers AB

Patrik Adolfson

Authorized Public Accountant
Auditor in Charge

Madeleine Endre

Authorized Public Accountant

Condensed consolidated income statement

SEK M	Note	Q3		Jan-Sep		R12 Oct-Sep	Jan-Dec
		2024	2023	2024	2023	2023/2024	2023
Net sales	5	14,277	14,022	41,287	41,341	56,878	56,932
Production costs	2, 3	-12,961	-12,800	-37,819	-37,934	-52,130	-52,245
Gross profit		1,316	1,221	3,468	3,407	4,748	4,687
Selling and administrative expenses	2	-652	-679	-2,279	-2,227	-3,207	-3,156
Other operating income/expenses		1	247	-1	265	5	271
Operating profit/loss	5	665	789	1,188	1,444	1,546	1,802
Financial income		16	22	61	56	85	80
Financial expense ¹		-69	-40	-164	-51	-192	-79
Net financial items	5	-53	-18	-104	5	-108	1
Profit/loss after financial items	5	612	771	1,085	1,449	1,439	1,803
Tax		-140	-149	-234	-268	-196	-230
Net profit/ loss		472	621	851	1,181	1,243	1,573
Attributable to:							
NCC's shareholders		472	621	851	1,181	1,243	1,573
Net profit/loss for the period		472	621	851	1,181	1,243	1,573
Earnings per share							
Net profit/loss for the period, before and after dilution, SEK		4.83	6.36	8.71	12.09	12.72	16.11
Number of shares, millions							
Total number of issued shares		99.8	99.8	99.8	99.8	99.8	99.8
Average number of shares outstanding before and after dilution during the period		97.8	97.7	97.7	97.6	97.7	97.6
Number of shares outstanding at the end of the period		97.8	97.7	97.8	97.7	97.8	97.7

1) Whereof interest expenses for the quarter SEK -62 M (-38) and for the period SEK -145 M (-36).

Consolidated statement of comprehensive income

SEK M	Note	Q3		Jan-Sep		R12 Oct-Sep	Jan-Dec
		2024	2023	2024	2023	2023/2024	2023
Net profit/loss for the period		472	621	851	1,181	1,243	1,573
Items that have been recycled or should be recycled to net profit/loss for the period							
Exchange differences on translating foreign operations		-70	-79	30	48	-92	-74
Cash flow hedges		-15	-89	14	-123	-18	-154
Income tax relating to items that have been or should be recycled to net profit/loss for the period	3	18	3	25	4	32	
		-82	-150	41	-50	-106	-196
Items that cannot be recycled to net profit/loss for the period							
Revaluation of defined benefit pension plans		-352	80	-210	330	-1,357	-818
Income tax relating to items that can not be recycled to net profit/loss for the period		73	-16	43	-68	280	168
		-280	63	-166	262	-1,078	-649
Other comprehensive income		-361	-87	-126	212	-1,183	-846
Total comprehensive income		111	535	725	1,393	60	728
Attributable to:							
NCC's shareholders		111	535	725	1,393	60	728
Total comprehensive income		111	535	725	1,393	60	728

Condensed consolidated balance sheet

SEK M	Note	30 Sep 2024	30 Sep 2023	31 Dec 2023
		1		
ASSETS				
Goodwill		1,922	1,966	1,913
Other intangible assets		649	394	545
Right-of-use assets	4	1,358	1,409	1,300
Owner-occupied properties		863	886	867
Machinery and equipment		2,096	2,456	2,310
Long-term interest-bearing receivables	6	204	232	204
Pension receivable		-	567	-
Other financial fixed assets		668	724	688
Total fixed assets		7,760	8,635	7,827
Properties held for future development		1,286	1,282	1,265
Ongoing property projects		689	3,465	3,794
Completed property projects		8,596	4,942	4,986
Participations in associated companies		225	164	201
Materials and inventories		1,132	1,129	1,120
Accounts receivable		8,977	9,273	8,696
Worked-up, not-invoiced revenues		1,970	2,112	1,076
Current interest-bearing receivables		129	168	129
Other current receivables	4	1,476	1,627	1,649
Short-term investments		523	442	501
Cash and cash equivalents		324	683	707
Total current assets		25,327	25,287	24,124
Total assets		33,087	33,922	31,950
EQUITY				
Shareholders' equity		7,288	7,985	7,324
Total shareholders' equity		7,288	7,985	7,324
LIABILITIES				
Long-term interest-bearing liabilities	6	3,297	2,986	3,006
Provisions for pensions and similar obligations		630	-	556
Other long-term liabilities		1,048	1,260	902
Other provisions		2,124	2,319	2,218
Total long-term liabilities		7,099	6,565	6,683
Current interest-bearing liabilities	6	3,202	2,816	2,289
Accounts payable		5,314	6,432	6,105
Invoiced revenues not worked-up		5,812	5,624	5,058
Other current liabilities		4,372	4,500	4,492
Total current liabilities		18,700	19,372	17,944
Total liabilities		25,799	25,936	24,626
Total shareholders' equity and liabilities		33,087	33,922	31,950

Condensed consolidated changes in shareholders' equity

SEK M	30 Sep 2024			30 Sep 2023		
	Share capital	Profit brought forward	Total shareholder's equity	Share capital	Profit brought forward	Total shareholder's equity
Opening balance	867	6,457	7,324	867	6,315	7,183
Total comprehensive income	-	725	725	-	1,393	1,393
Dividend	-	-781	-781	-	-586	-586
Withdrawal of own shares	-	-	-	-69	69	-
Bonus issue	-	-	-	69	-69	-
Performance based incentive program	-	20	20	-	-5	-5
Closing balance	867	6,421	7,288	867	7,118	7,985

Condensed consolidated cash flow statement

SEK M	Q3		Jan-Sep		R12 Oct-Sep	Jan-Dec
	2024	2023	2024	2023	2023/2024	2023
OPERATING ACTIVITIES						
Operating profit/loss	665	789	1,188	1,444	1,546	1,802
Adjustments for items not included in cash flow	249	-89	746	336	944	534
Interest paid and received	-88	-77	-189	-134	-217	-162
Taxes paid	-41	-37	-107	-123	-36	-52
Cash flow from operating activities before changes in working capital	785	586	1,640	1,523	2,238	2,122
Divestment of property projects	-	8	494	659	582	747
Gross investments in property projects	-246	-445	-836	-1,953	-1,315	-2,432
Cash flow from property projects	-246	-437	-343	-1,294	-733	-1,684
Other changes in working capital	-783	415	-1,639	-484	-786	369
Cash flow from changes in working capital	-1,029	-22	-1,981	-1,778	-1,518	-1,315
Cash flow from operating activities	-244	563	-342	-255	720	807
INVESTING ACTIVITIES						
Acquisition/sale of subsidiaries and other holdings	-23	277	32	268	26	261
Acquisition/sale of tangible fixed assets	-9	-55	-183	-374	-216	-407
Acquisition/sale of other fixed assets	-32	-21	-157	-129	-328	-301
Cash flow from investing activities	-65	201	-308	-236	-519	-446
Cash flow before financing	-309	764	-650	-491	201	361
FINANCING ACTIVITIES						
Cash flow from financing activities	-400	-502	266	639	-560	-187
Cash flow during the period	-709	262	-384	148	-359	174
Cash and cash equivalents at beginning of period	1,033	423	707	534	683	534
Effects of exchange rate changes on cash and cash equivalents	0	-2	1	1	0	0
Cash and cash equivalents at end of period	324	683	324	683	324	707

Condensed consolidated net debt

SEK M	Jan-Sep		R12 Oct-Sep	Jan-Dec
	2024	2023	2023/2024	2023
Net cash +/Net debt - opening balance	-4,310	-3,000	-3,710	-3,000
- Cash flow from operating activities	-342	-255	720	807
- Cash flow from investing activities	-308	-236	-519	-446
Cash flow before financing	-650	-491	201	361
Change in provisions/receivables for pensions	-73	499	-1,196	-624
Change in leasing debt	-525	-427	-559	-461
Paid dividend	-391	-293	-684	-586
Currency exchange differences in cash and cash equivalents	1	1	-1	0
Net cash + /Net debt - closing balance	-5,948	-3,710	-5,948	-4,310
- Whereof provisions/receivables for pensions	-630	567	-630	-556
- Whereof leasing debt	-1,428	-1,490	-1,428	-1,380
- Whereof other net cash/net debt	-3,891	-2,787	-3,891	-2,374

Parent Company condensed income statement

SEK M	Note 1	Q3		Jan-Sep		R12 Oct-Sep	Jan-Dec
		2024	2023	2024	2023	2023/2024	2023
Net sales		16	9	32	29	175	172
Selling and administrative expenses		-59	-73	-192	-205	-304	-316
Operating profit		-42	-65	-160	-176	-129	-144
Result from participations in Group companies		-	-	1,888	1,125	1,888	1,125
Result from other financial fixed assets		-	-	13	14	13	14
Result from financial current assets		12	6	30	13	33	17
Interest expense and similar items		-1	-1	-20	-11	-23	-15
Result after financial items		-32	-60	1,750	965	1,782	997
Appropriations		-	-	-	-	134	134
Tax on net profit/loss for the period		9	16	31	36	-2	3
Net profit/loss for the period		-23	-43	1,781	1,001	1,914	1,133

Net sales pertain to charges to Group companies. The average number of employees was 68 (61).

The result for the period is consistent with comprehensive income for the quarter and the period.

Parent Company condensed balance sheet

SEK M	Note 1	30 Sep 2024	30 Sep 2023	31 Dec 2023
ASSETS				
Tangible fixed assets		0	0	0
Financial fixed assets		5,172	4,594	5,125
Total fixed assets		5,172	4,594	5,126
Current receivables		51	86	359
Treasury balances in NCC Treasury AB		1,367	684	133
Total current assets		1,419	769	492
Total assets		6,591	5,363	5,618
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity		6,100	4,943	5,079
Provisions		6	6	6
Long-term liabilities		3	1	2
Current liabilities		483	413	531
Total shareholders' equity and liabilities		6,591	5,363	5,618

Total approved dividends amounted to SEK 781 M, of which SEK 391 M was paid in April and SEK 390 M will be paid in November.

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 covers pages 1–25 and pages 1–16 therefore constitute an integrated part of this financial report.

Several changes to existing standards and interpretations came into effect for the fiscal year commencing after January 1, 2024. NCC has evaluated the effects of changes in respect of "Classification of Liabilities as Current or Non-current" and "Non-current Liabilities with Covenants", "Supplier Finance Arrangements" or "Lease Liability in a Sale and Leaseback" transactions. NCC has made the assessment that the changes do not result in any changes for the Group. Other

amendments that came into effect on January 1, 2024 are not expected to have any material effect on the consolidated financial statements.

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 Parent Company has been prepared pursuant to the same accounting policies and methods of calculation as the 2023 Annual Report (Note 1 and in connection with the subsequent notes).

Note 2. Depreciation/amortization

SEK M	Q3		Jan-Sep		R12 Oct-Sep	Jan-Dec
	2024	2023	2024	2023	2023/2024	2023
Other intangible assets	-18	-16	-52	-42	-68	-58
Owner-occupied properties ¹	-92	-94	-242	-236	-320	-314
Machinery and equipment ²	-220	-224	-659	-645	-862	-847
Total depreciation	-330	-334	-953	-923	-1,249	-1,219

1) Whereof depreciation of right-of-use assets for the quarter SEK -80 M (-83) and for the period SEK -211 M (-201).

2) Whereof depreciation of right-of-use assets for the quarter SEK -92 M (-89) and for the period SEK -266 M (-243)

Note 3. Impairment losses

SEK M	Q3		Jan-Sep		R12 Oct-Sep	Jan-Dec
	2024	2023	2024	2023	2023/2024	2023
Machinery and equipment	-	-	-2	-	-3	-2
Total impairment losses	-	-	-2	-	-3	-2

Note 4. Right-of-use assets

SEK M	30 Sep 2024	30 Sep 2023	31 Dec 2023
Owner-occupied properties	773	855	797
Machinery and equipment	585	554	503
Land leases ¹	1	0	1
Total right-of-use assets	1,359	1,410	1,300

1) Land leases are classified as current assets.

Note 5. Segment reporting

SEK M

	NCC Infrastructure	NCC Building Sweden	NCC Building Nordics	NCC Industry	NCC Property Development	Total segments	Other and eliminations ¹	Group
Q3 2024								
Net sales, external	4,208	2,812	3,123	4,015	103	14,261	16	14,277
Net sales, internal	41	147	87	125	1	401	-401	-
Net sales, total	4,250	2,959	3,210	4,140	104	14,662	-385	14,277
Operating profit	151	45	104	338	37	676	-11	665
Net financial items	-	-	-	-	-	-	-	-53
Profit/loss after financial items	-	-	-	-	-	-	-	612

	NCC Infrastructure	NCC Building Sweden	NCC Building Nordics	NCC Industry	NCC Property Development	Total segments	Other and eliminations ¹	Group
Q3 2023								
Net sales, external	4,032	2,758	3,418	3,728	69	14,004	18	14,022
Net sales, internal	82	212	158	134	0	586	-586	-
Net sales, total	4,114	2,970	3,576	3,862	69	14,590	-568	14,022
Operating profit	333	59	93	281	-18	747	42	789
Net financial items	-	-	-	-	-	-	-	-18
Profit/loss after financial items	-	-	-	-	-	-	-	771

	NCC Infrastructure	NCC Building Sweden	NCC Building Nordics	NCC Industry	NCC Property Development	Total segments	Other and eliminations ¹	Group
January - September 2024								
Net sales, external	12,499	9,468	9,673	8,740	862	41,241	45	41,287
Net sales, internal	180	553	350	325	4	1,412	-1,412	-
Net sales, total	12,679	10,020	10,023	9,065	865	42,653	-1,366	41,287
Operating profit	364	172	242	393	155	1,326	-138	1,188
Net financial items	-	-	-	-	-	-	-	-104
Profit/loss after financial items	-	-	-	-	-	-	-	1,085

	NCC Infrastructure	NCC Building Sweden	NCC Building Nordics	NCC Industry	NCC Property Development	Total segments	Other and eliminations ¹	Group
Januari - september 2023								
Net sales, external	12,358	9,314	10,244	8,029	1,276	41,221	119	41,341
Net sales, internal	293	889	591	362	0	2,135	-2,135	-
Net sales, total	12,651	10,203	10,835	8,391	1,277	43,356	-2,015	41,341
Operating profit	541	191	204	301	201	1,439	5	1,444
Net financial items	-	-	-	-	-	-	-	5
Profit/loss after financial items	-	-	-	-	-	-	-	1,449

1) For more detailed information on other items and eliminations, see the table on page 13 and the explanatory text on the same page.

Note 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, interest-rate swaps, oil

forward contracts and electricity forward contracts used for hedging purposes.

The measurement at fair value of currency forward contracts, 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	30 Sep 2024				30 Sep 2023				31 Dec 2023			
	Level 1	Level 2	Level 3	Tot	Level 1	Level 2	Level 3	Tot	Level 1	Level 2	Level 3	Tot
Financial assets measured at fair value through profit and loss												
Short-term investments	453			453	422			422	450			450
Derivative instruments		1		1		20		20		16		16
Derivative instruments used in hedge accounting		6		6		36		36		16		16
Financial assets measured at fair value through other comprehensive income												
Equity instruments			68	68			68	68			68	68
Total assets	453	7	68	528	422	56	68	546	450	32	68	550
Financial liabilities measured at fair value through profit and loss												
Derivative instruments		3		3		51		51		53		53
Derivative instruments used in hedge accounting		33		33		51		51		59		59
Total liabilities		36		36		102		102		112		112

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	30 Sep 2024		30 Sep 2023		31 Dec 2023	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Long-term interest-bearing receivables - amortized cost	204	206	232	224	204	203
Short-term investments - amortized cost	70	70	20	20	51	49
Long-term interest-bearing liabilities	3,297	3,328	2,986	2,956	3,006	2,987
Current interest-bearing liabilities	3,202	3,216	2,816	2,810	2,289	2,285

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.

Note 7. Pledged assets and contingent liabilities

SEK M

Group	30 Sep 2024	30 Sep 2023	31 Dec 2023
Assets pledged	569	404	431
Contingent liabilities ¹	1,122	2,296	708
Parent company			
Contingent liabilities ¹	26,917	31,788	25,142

1) Sureties and other liability commitments have primarily been issued as security for the fulfillment of construction contracts, utilized guarantee limits from financial institutions, and lease guarantees arising from the disposal of properties in commercial real estate development.

Summary of key figures

	Q3		R12 Oct-Sep		Jan-Dec		
	2024	2023	2023/2024	2023	2022	2021	2020
Profitability ratios							
Return on shareholders equity, % ¹	17	22	17	21	17	32	37
Return on capital employed, % ¹	12	16	12	15	12	16	12
Financial ratios at period-end							
EBITDA % including effects of dividends	7.0	8.0	4.9	5.3	4.8	5.9	5.2
Interest-coverage ratio, times ¹	8	25	8	24	16	23	13
Equity/asset ratio, %	22	24	22	23	24	20	14
Interest bearing liabilities/total assets, %	22	17	22	18	15	21	26
Net cash +/- Net debt -, SEK M	-5,948	-3,710	-5,948	-4,310	-3,000	-2,932	-4,823
Debt/equity ratio, times	0.8	0.5	0.8	0.6	0.4	0.5	1.2
Capital employed at period end, SEK M	14,417	13,786	14,417	13,175	11,480	12,055	11,375
Capital employed, average, SEK M	13,826	12,521	13,826	12,776	11,766	11,430	10,983
Capital turnover rate, times ¹	4.1	4.6	4.1	4.5	4.6	4.7	4.9
Closing interest rate, % ³	4.9	5.1	4.9	5.1	4.1	1.1	1.1
Average period of fixed interest, years ³	0.7	0.7	0.7	0.7	1.0	0.5	1.0
Per share data							
Profit/loss after tax, before and after dilution, SEK	4.83	6.36	12.72	16.11	10.29	14.02	11.68
Cash flow from operating activities, before and after dilution, SEK	-2.50	5.77	7.37	8.27	2.55	21.00	14.56
Cash flow before financing, before and after dilution, SEK	-3.16	7.82	2.06	3.70	-1.30	17.62	10.26
P/E ratio ¹	13	7	13	8	9	12	13
Dividend, ordinary, SEK	-	-	8.00	8.00	6.00	6.00	5.00
Dividend yield, %	-	-	4.7	6.4	6.2	3.6	3.3
Shareholders' equity before and after dilution, SEK	74.52	81.76	74.52	74.99	73.60	54.32	36.89
Share price/shareholders' equity, %	228	145	228	167	132	309	407
Share price at period-end, NCC B, SEK	169.70	118.40	169.70	125.60	97.25	167.70	150.00
Number of shares, millions							
Total number of issued shares ^{2 4}	99.8	99.8	99.8	99.8	108.4	108.4	108.4
Treasury shares at period-end	2.0	2.1	2.0	2.1	10.8	0.8	0.8
Total number of shares outstanding at period-end before and after dilution	97.8	97.7	97.8	97.7	97.6	107.6	107.7
Average number of shares outstanding before and after dilution during the period	97.8	97.7	97.7	97.6	103.9	107.6	107.8
Market capitalization before and after dilution, SEK M	16,591	11,571	16,591	12,271	9,636	18,035	16,144
Personnel							
Average number of employees	11,840	11,865	11,840	12,243	12,485	13,002	14,388

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

2) All shares issued by NCC are common shares.

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

4) Withdrawal of 8,674,866 own shares series B was made during the second quarter 2023.

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

Invitation to presentation of the Interim Report for the third quarter of 2024

NCC's President and CEO Tomas Carlsson and Chief Financial Officer Susanne Lithander will present the interim report at a webcast and teleconference on October 25, 2024 at 8:30 a.m. (CEST). The presentation will be held in English.

Presentation material will be available at ncc.com/ir from approximately 7:30 a.m. (CEST).

Link to webcast:

Webcast Q3

To participate by phone, please call one of the following numbers five minutes prior to the start of the conference.

SE: +46 8 505 100 31

UK: +44 207 107 06 13

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Financial calendar

Interim report Q4 2024 and Jan-Dec 2024 February 10, 2025

Interim report Q1 2025 April 29, 2025

Annual General Meeting May 7, 2025

Interim report Q2 2025 and Jan-Jun 2025 July 15, 2025

Interim report Q3 2025 and Jan-Sep 2025 October 23, 2025

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 above on October 25, 2024 at 7:10 a.m. (CEST).

The Dylta quarry outside Örebro, Sweden, has existed for more than 50 years. It is here that NCC quarries rock material and produces asphalt, primarily for Örebro Municipality, as the result of a new, comprehensive framework agreement. Preparations are now under way to further lower the quarry level to enable continued extraction of rock material in an efficient and responsible manner. Dylta is the name of the old sulfur plant located nearby, which has traditions dating back to the late 1570s.



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