

Sustainable value creation

For NCC, 2024 was characterized by stability and strong earnings development. Three business areas reported record earnings. Through careful choices and the positive effects of long-term improvement work, we have been able to demonstrate progress in many areas.

Financial target achieved

We reported strong earnings in a challenging market and achieved our financial target of SEK 16 per share for the second consecutive year. The achievement of the target is a result of strong underlying operating profit and value-generating property sales. Orders received was healthy, particularly in prioritized segments where NCC has specialist expertise in such areas as water treatment, hospitals and energy solutions.

The Infrastructure business area performed solidly and ended the year with a healthy order backlog, and Building Nordics achieved record earnings, with Denmark continuing to perform strongly and Finland improving significantly. Building Sweden reported lower earnings as a result of provisions related to projects completed or under completion.

The Industry business area reported record earnings, driven by operational discipline, higher prices and lower raw material costs. Following a hesitant market for property transactions at the beginning of the year, Property Development ended the year strongly, completing four sales including one newly started project. This demonstrates the benefits of a strong balance sheet, which has enabled us to hold off on selling these projects until we found the right buyer for the properties.

Advantages of a large company

Our aim is to take the customer through the complex construction process and create value for all stakeholders. NCC has a clear strategic direction aimed at capitalizing on the advantages that come with being a large company. This means that, as a knowledge-based company, we have a culture driven by shared values and behaviors. We work in a data-informed manner, with clear processes to understand and manage costs, leverage the advantages of coordinated purchasing and accumulate specific construction expertise. The operational model ensures greater

predictability in the business and therefore more stable earnings, while strengthening customer relationships and creating the conditions for growth over time.

In January 2024, we launched a new business area – NCC Green Industry Transformation. This is NCC's focused initiative to support industry's green transformation. Through our long-standing experience of coordinating large, complex projects, and by becoming involved early in the process, we can – in our capacity as contractor – contribute resources and specialist expertise to enable the investments and development projects being pursued to facilitate the transition. NCC has signed two partnering agreements with LKAB concerning major projects, and several other dialogues are ongoing in the business area.

At the beginning of 2025, it was announced that we will conduct a strategic review of the Industry business area. Various options will be evaluated, including a possible divestment of the business area. The purpose is to review the best way to develop the business area going forward and to increase shareholder value in NCC.

Financial targets

In 2024, NCC achieved earnings per share of SEK 16, which is in line with the company's financial targets. Our financial targets have been set to focus on creating value for shareholders and to be relevant for all business areas, guiding them in efforts to contribute profit in absolute terms. No time limit has been set for reaching the target; it is instead based on steadily increasing profitability in contract and industrial operations, and also assumes profit recognitions from Property Development. Our strong financial position is an effect of increased profitability and thus improved cash flow in construction operations and Industry as well as recently completed property sales.

Review by the CEO



"NCC has a clear strategic direction aimed at capitalizing on the advantages that come with being a large company."



NCC supports customers in reducing their climate footprint

The climate issue and the green transition are strong drivers for today's societal transformation. NCC is pursuing this work together with our customers and supports them in their efforts to reduce the climate footprint of construction. These activities include work to increase energy efficiency, choosing the right material for the right place, and by reusing materials. In the asphalt operations, we have taken major steps by phasing out fossil fuels in our asphalt plants, thereby significantly reducing emissions from our own operations. Already in 2024, NCC achieved the target set for 2030 for emissions in its own operations (Scope 1 and 2). NCC has now adopted a new target for own emissions and continues to strive for climate neutrality.

Focus always on safety

NCC's primary key figure for measuring accidents is the number of accidents resulting in four days or more of absence. The number of accidents is at an all-time low, but we still have some way to go to reach our long-term target. We are also continuing our efforts to completely eliminate serious accidents and incidents, and have seen a positive trend in a reduction of serious incidents.

In February 2024, a tragic event occurred that affected many people. A fire broke out at the Oceana water park at Liseberg in Gothenburg, resulting in the death of one person working on behalf of Liseberg. We have worked closely with our client Liseberg and have now been entrusted with the reconstruction of the facility.

Our outlook for the future remains positive

We continue to see healthy market demand and positive prospects in several areas, particularly in infrastructure, industry and public buildings. Other underlying drivers supporting a continued need for significant investment across the Nordic region include preparations in society to address an uncertain security situation as well as the transition to a more sustainable society. The markets for residential construction and commercial properties remain cautious.

Our focus is to partner with our customers to realize their visions and guide them through the complex construction process. I would like to thank our customers for their confidence in us. One basic prerequisite for the success of our ambition and our commitments is engaged employees, subcontractors and partners, and I would like to take this opportunity to thank you for your hard work during the year. We would also like to thank our shareholders for their interest and support.

Solna, April 2025

Tomas Carlsson,
President and CEO