



**Q2 2021**

**Tomas Carlsson, CEO**  
**Susanne Lithander, CFO**

# Tomas Carlsson

CEO

# Continuing on the improvement trajectory

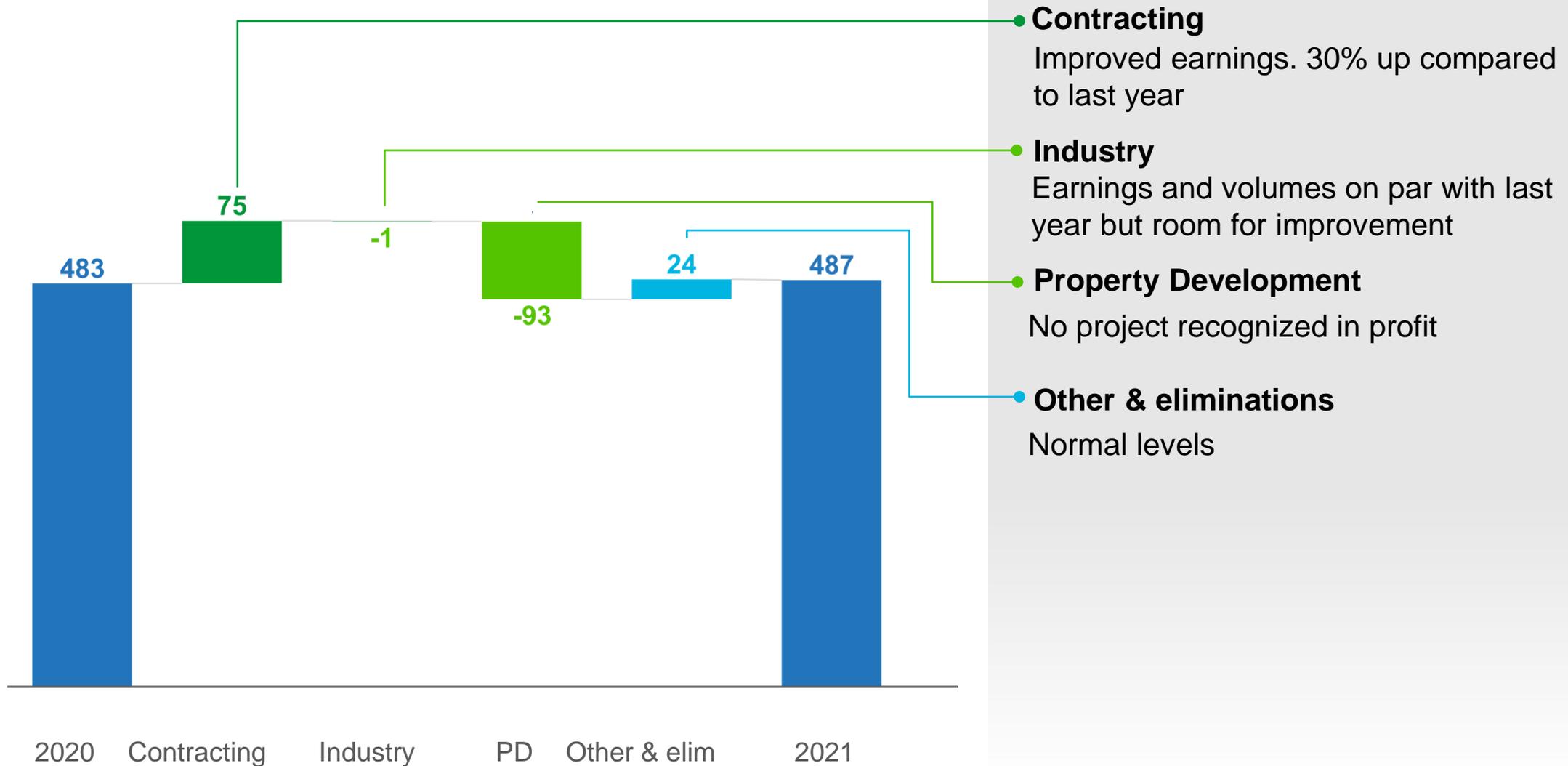
All contracting units  
better than last year

Strong letting in PD

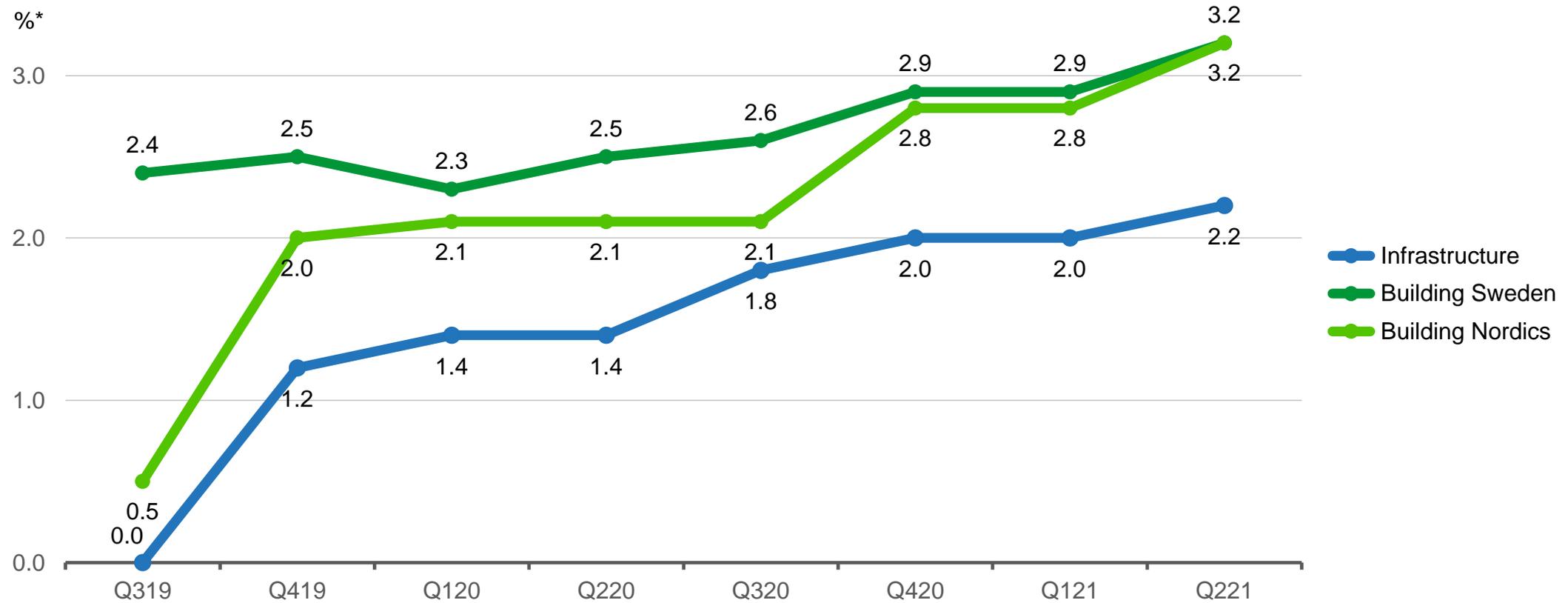
Industry still has  
potential to improve

Demand continued  
strong

# EBIT Q2

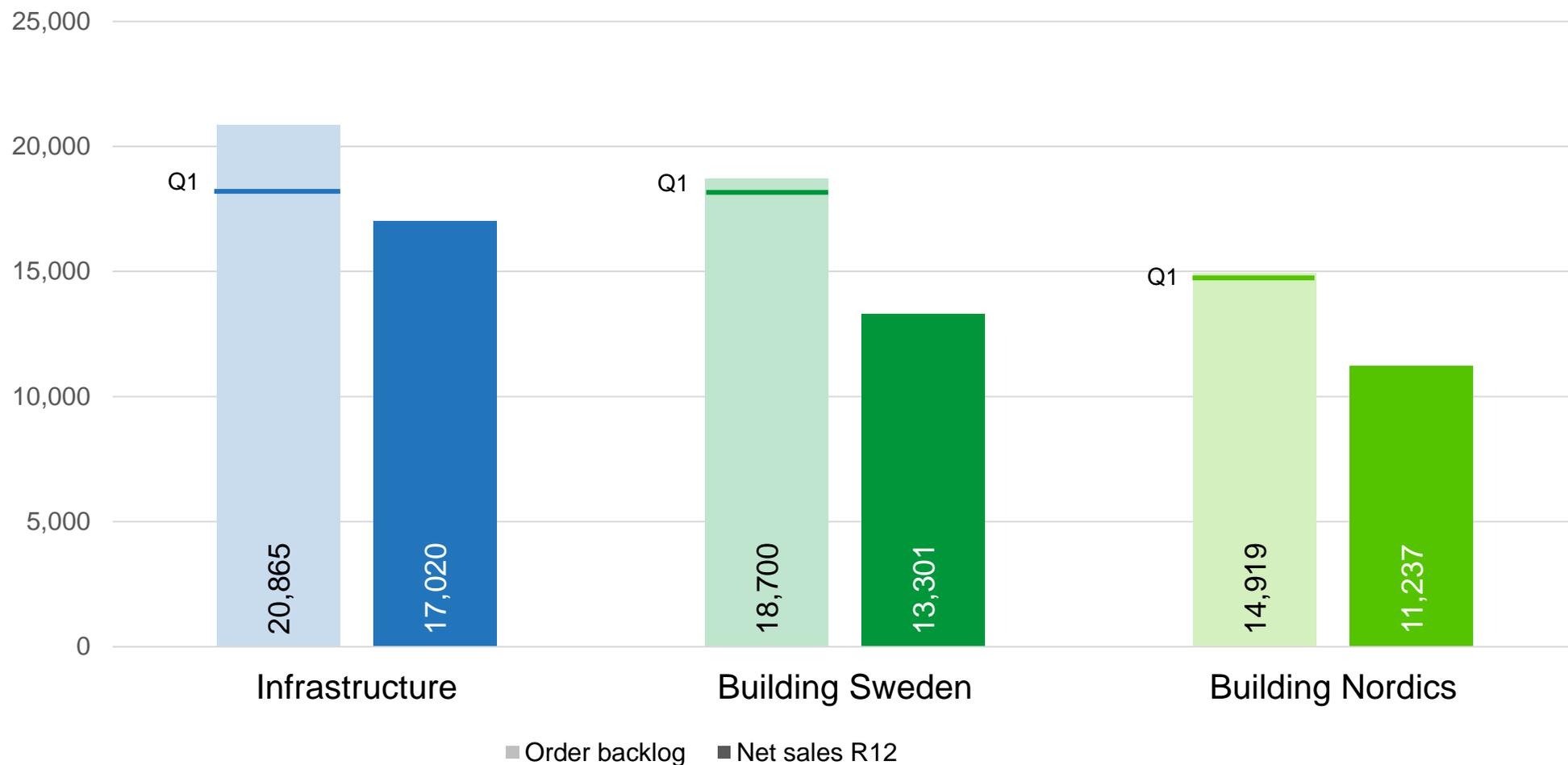


# Contracting: Good margins

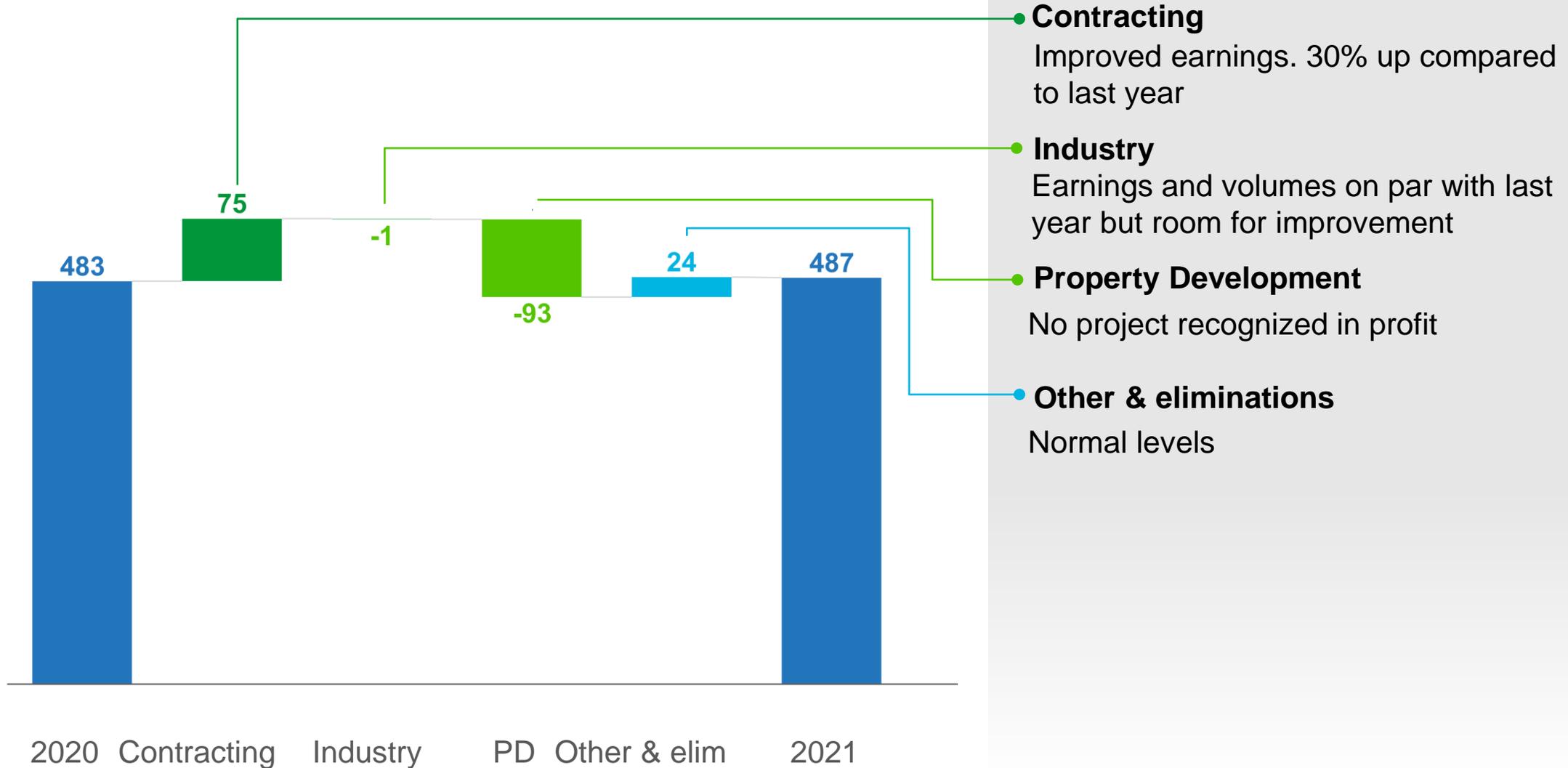


\*R12 EBIT margin. BA Infrastructure without Road Services

# Contracting: Strong order backlog



# EBIT Q2



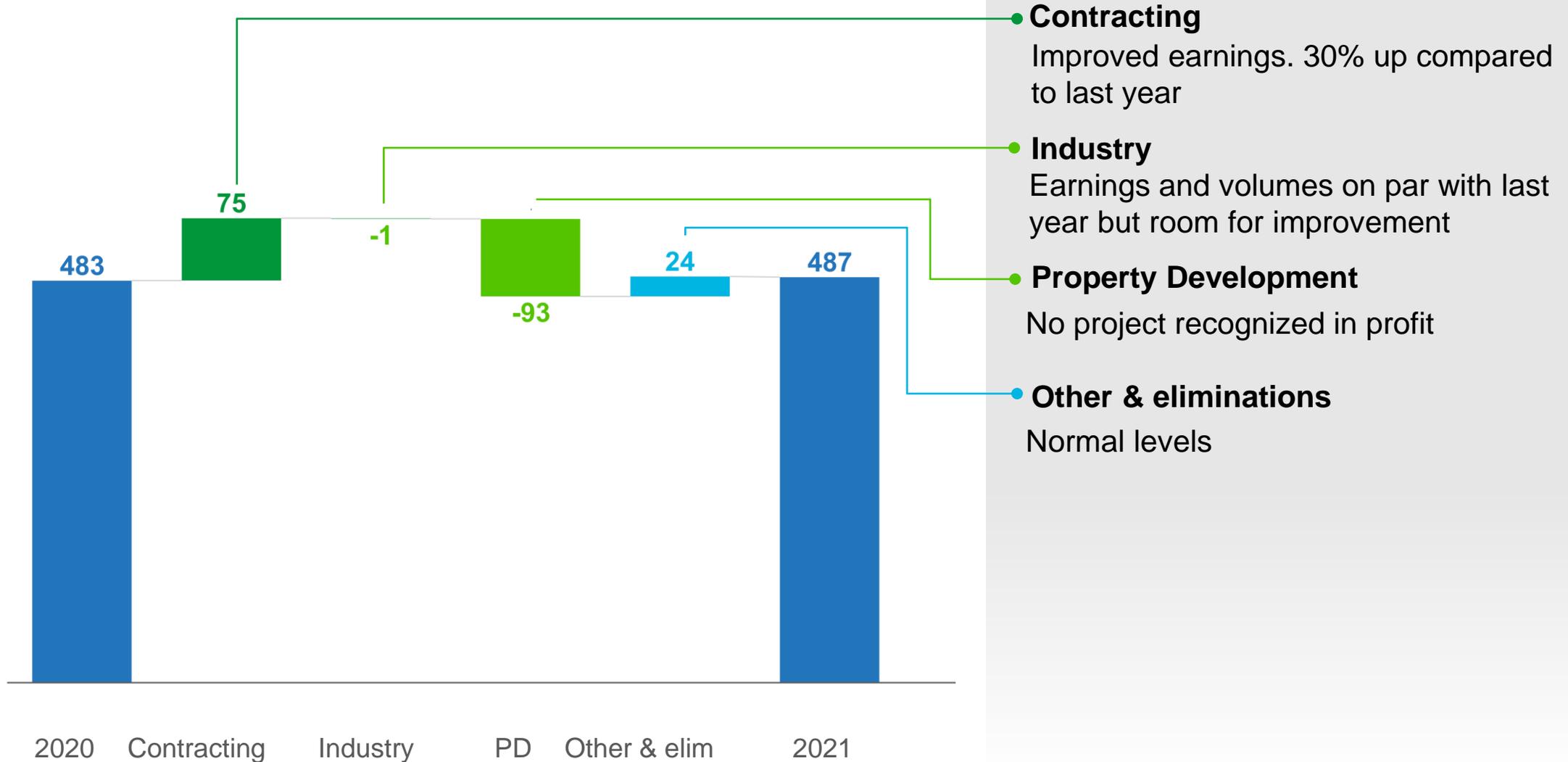
# EBIT Q2



## Industry

- Earnings and volumes on par with last year
- Positive impact from efficiency program in asphalt
- Negative impact from loss-making asphalt unit in Finland – on FY same level as 2020 expected, but earlier in the year

# EBIT Q2



# EBIT Q2



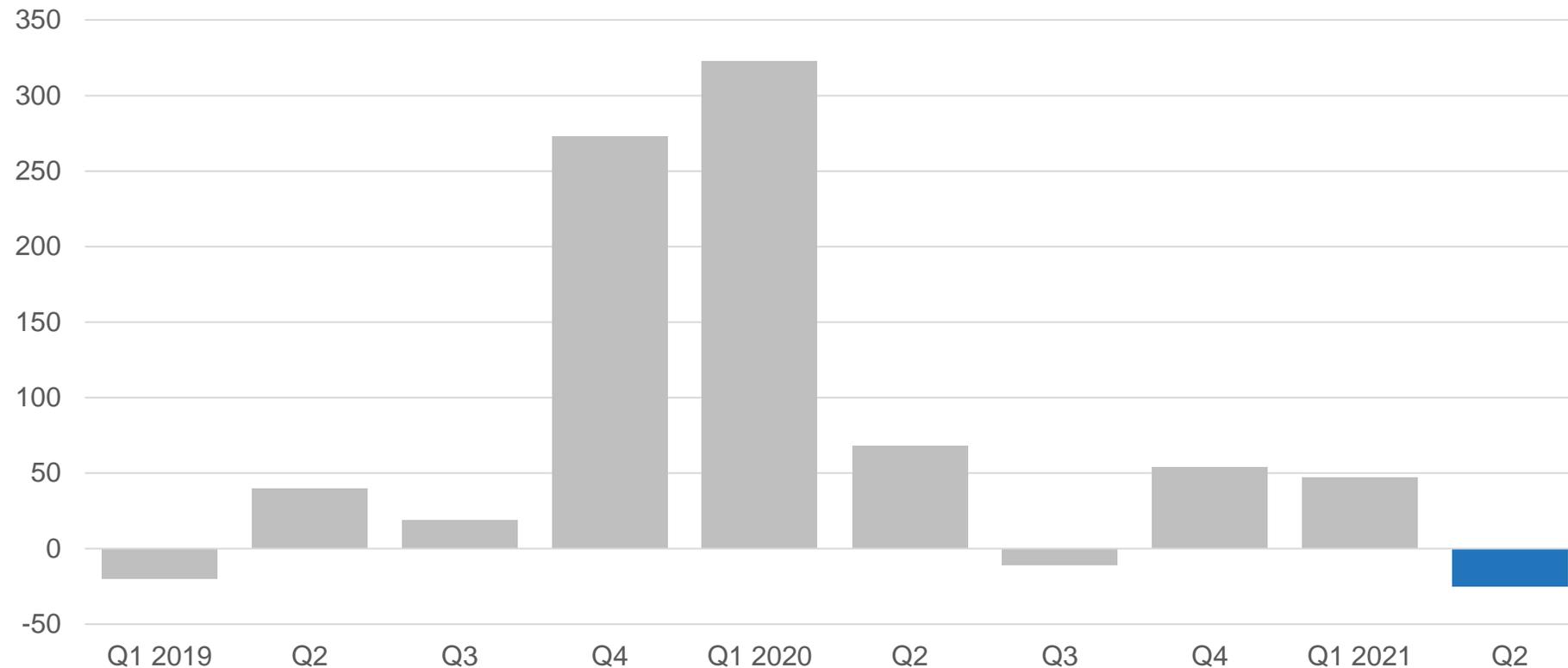
## Property Development

- No project recognized in profit

# Property Development: Earnings variable

Profit recognition when sold and completed – provisions for rental guarantees etc

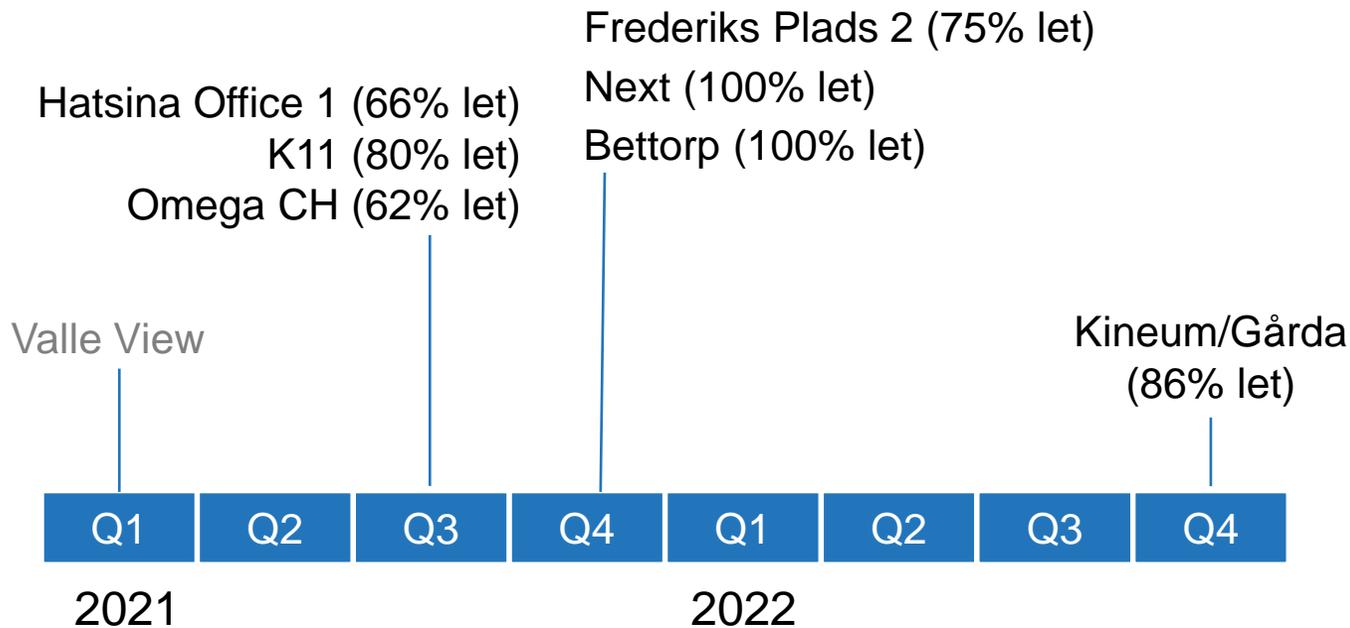
EBIT, SEK M



# 15 ongoing property development projects

Offices in strong locations

## Expected profit recognition for sold projects



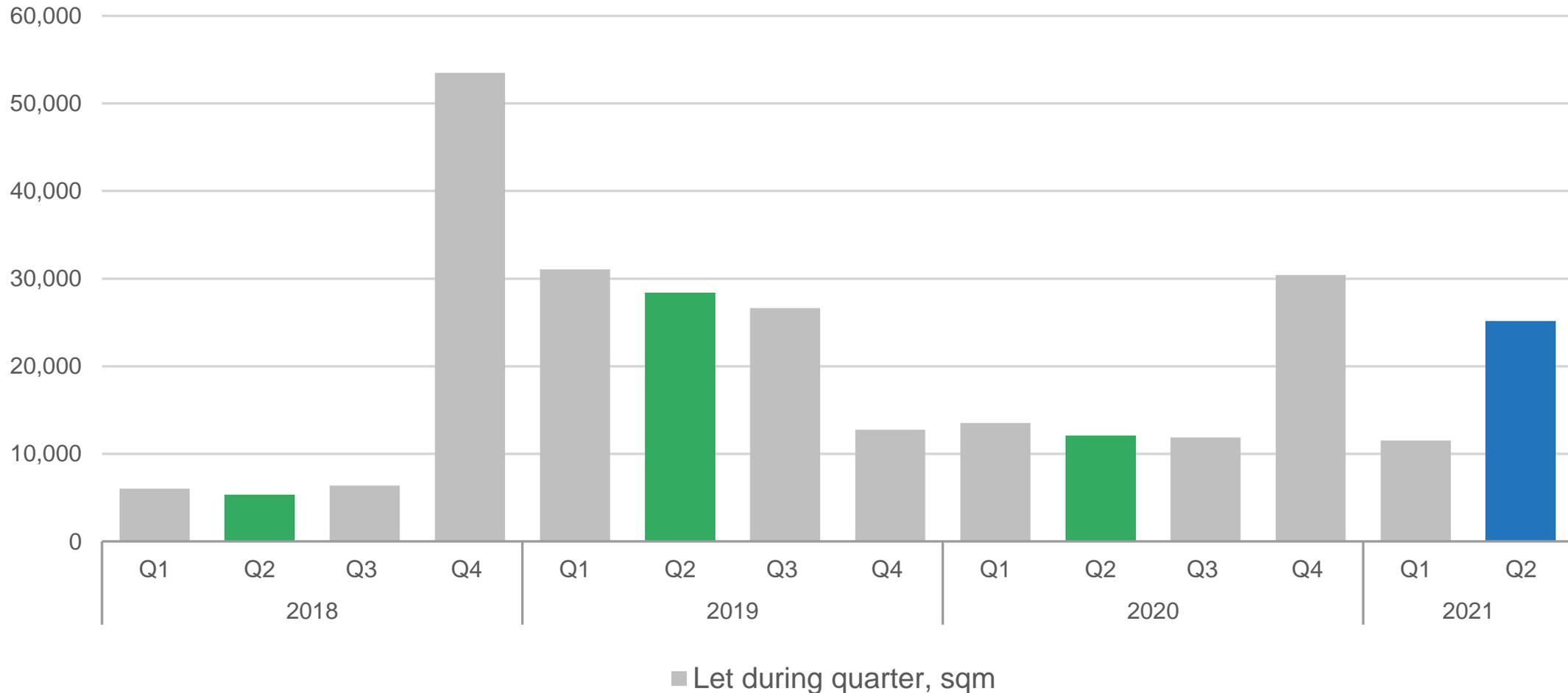
## Ongoing unsold projects

(% completed / % let)

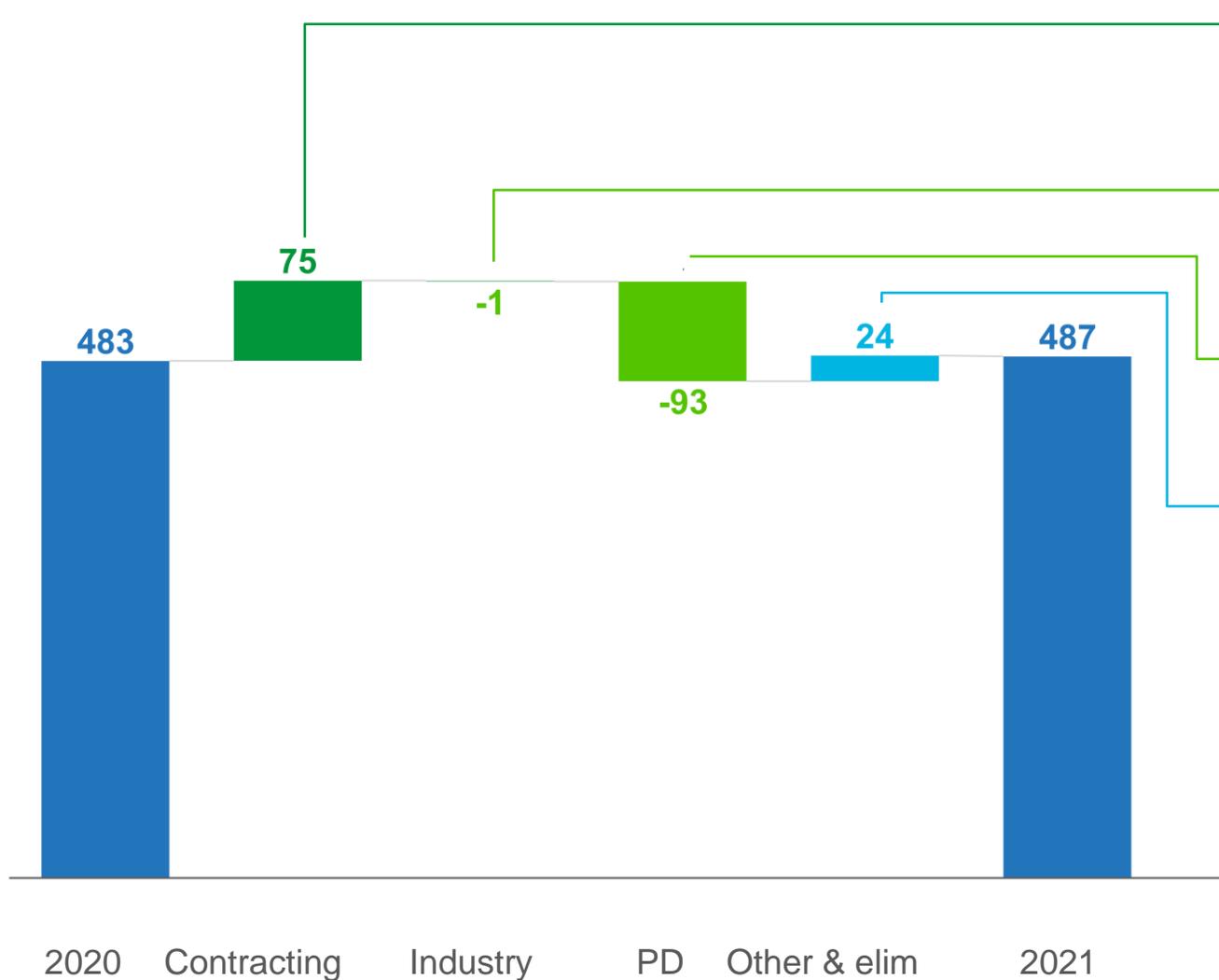
- Bromma Blocks (75/57)
- MIMO (16/31)
- We Land (15/22)
- Brick Studios (48/57)
- Kontorvaerket 1 (19/100)
- Våguset (49/33)
- Fredriksberg D (42/98)
- Kulma21 (40/5)

# Strong letting in the quarter

24 new contracts in Q2

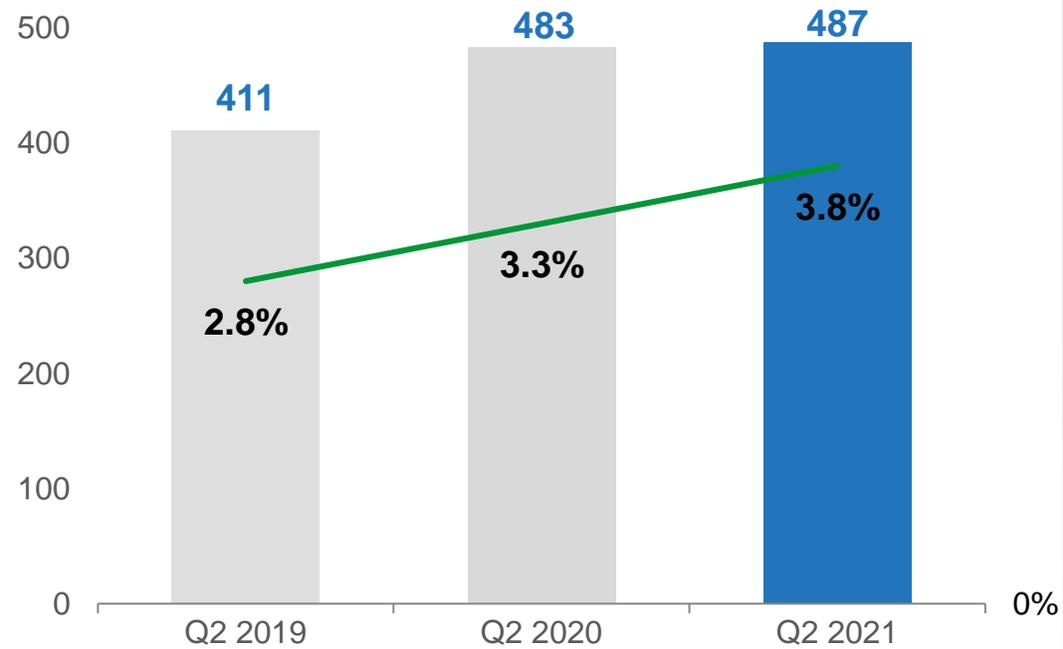


# EBIT Q2

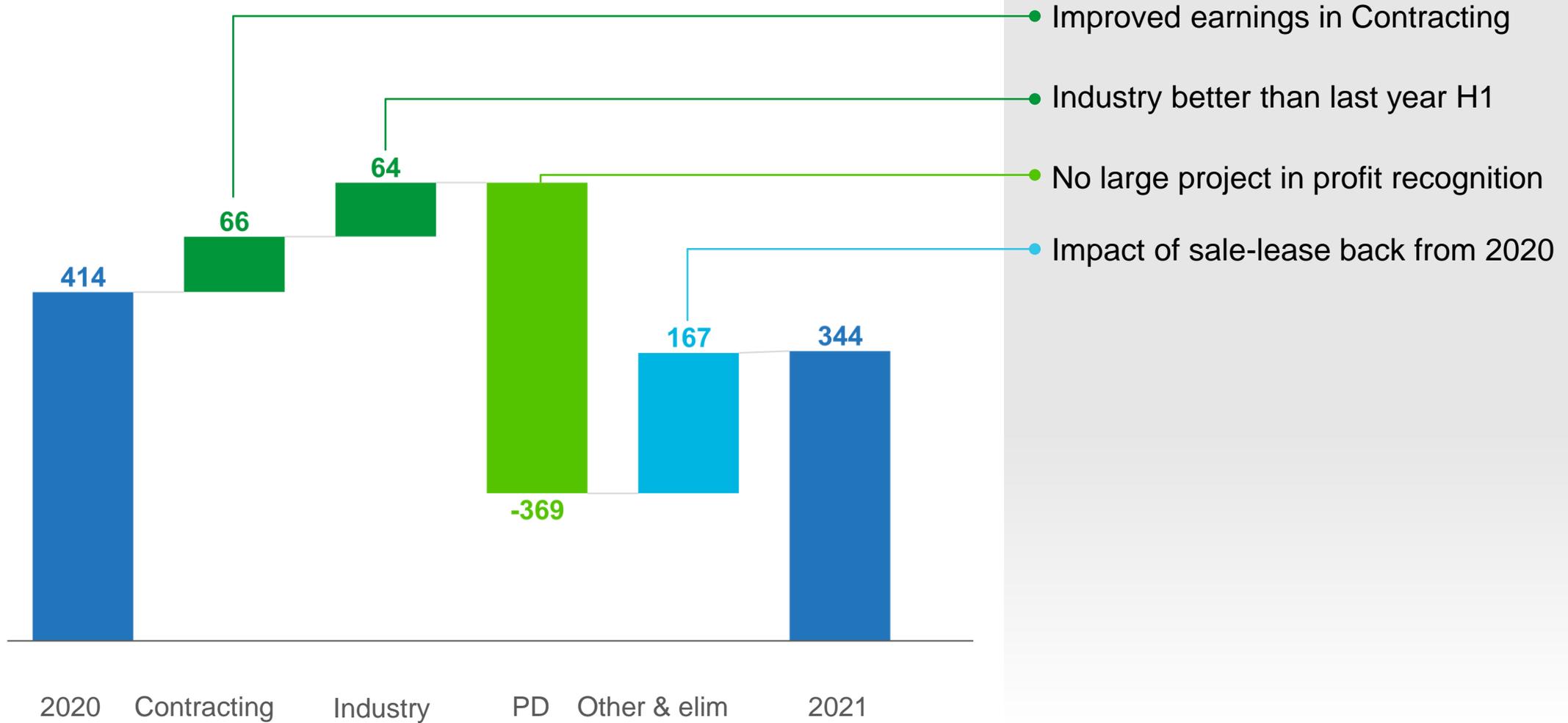


- **Contracting**  
Improved earnings. 30% up compared to last year
- **Industry**  
Earnings and volumes on par with last year but room for improvement
- **Property Development**  
No project recognized in profit
- **Other & eliminations**  
Normal levels

# EBIT and margin, Q2



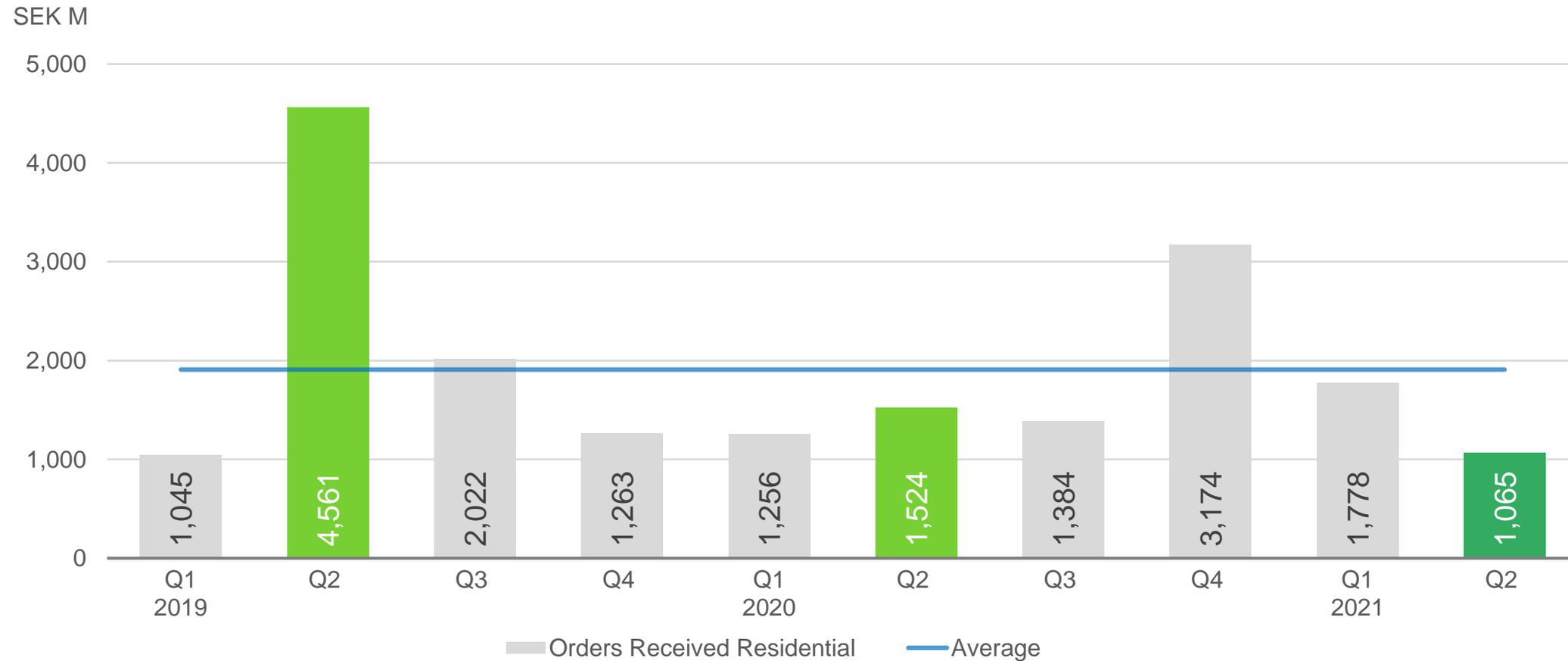
# Jan – Jun 2021



# Orders received



# Residential orders received



# Water and sewage projects – orders received

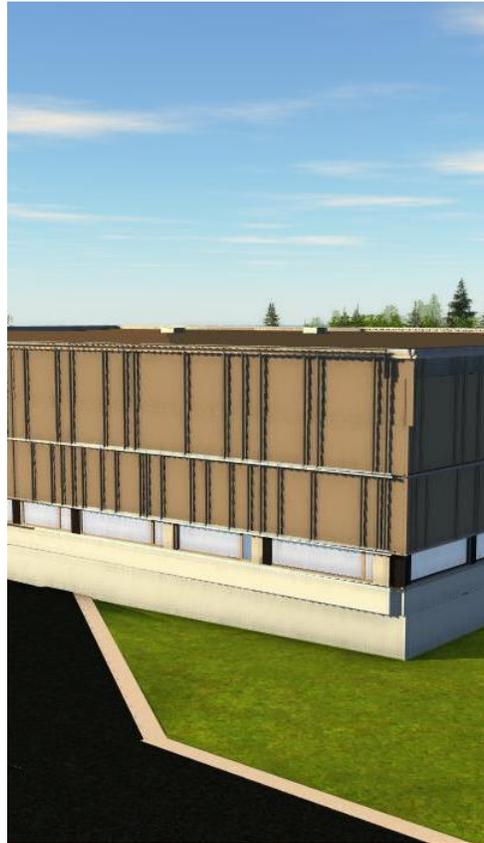
NCC has competitive edge throughout the water and sewage process



Margretelund  
treatment plant,  
in phase 1



Käppala  
treatment plant,  
in phase 1



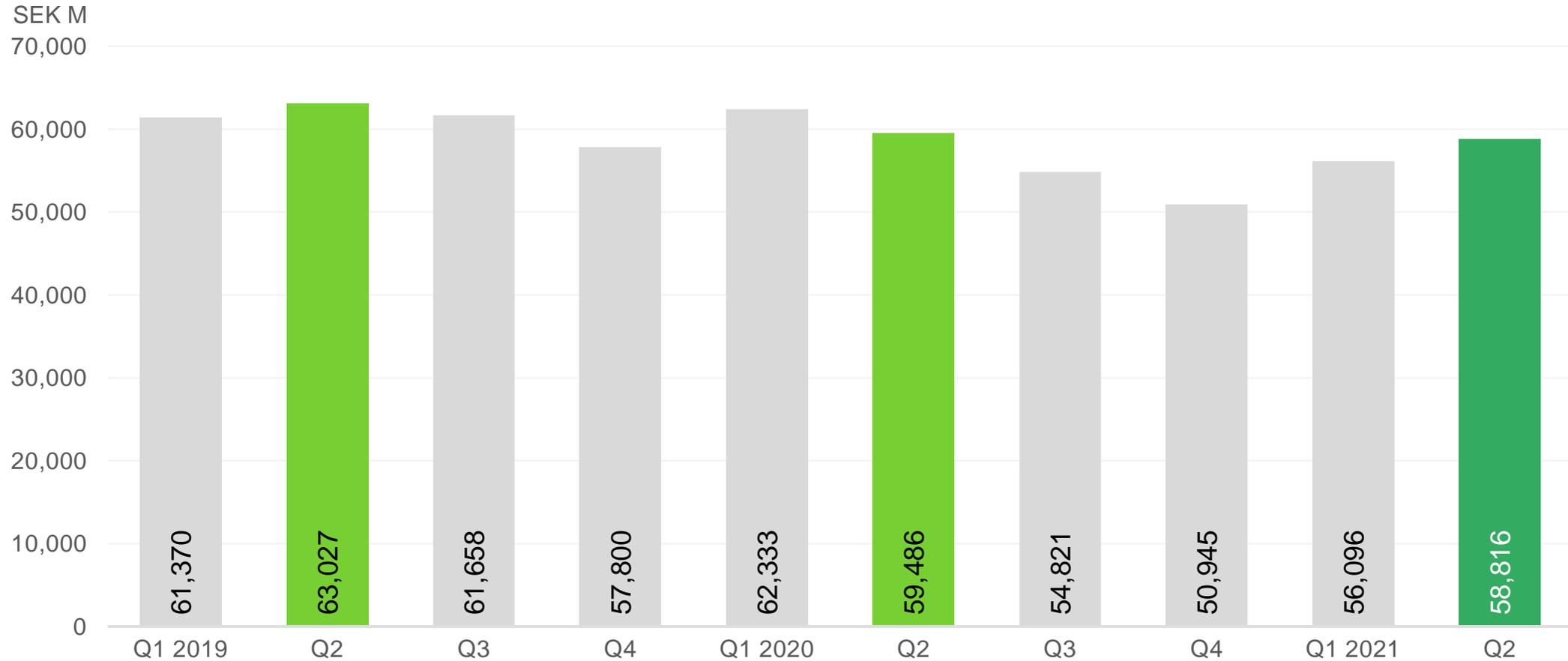
Gardermoen  
treatment plant,  
240 MSEK



Kungsängsverket,  
treatment plant  
270 MSEK

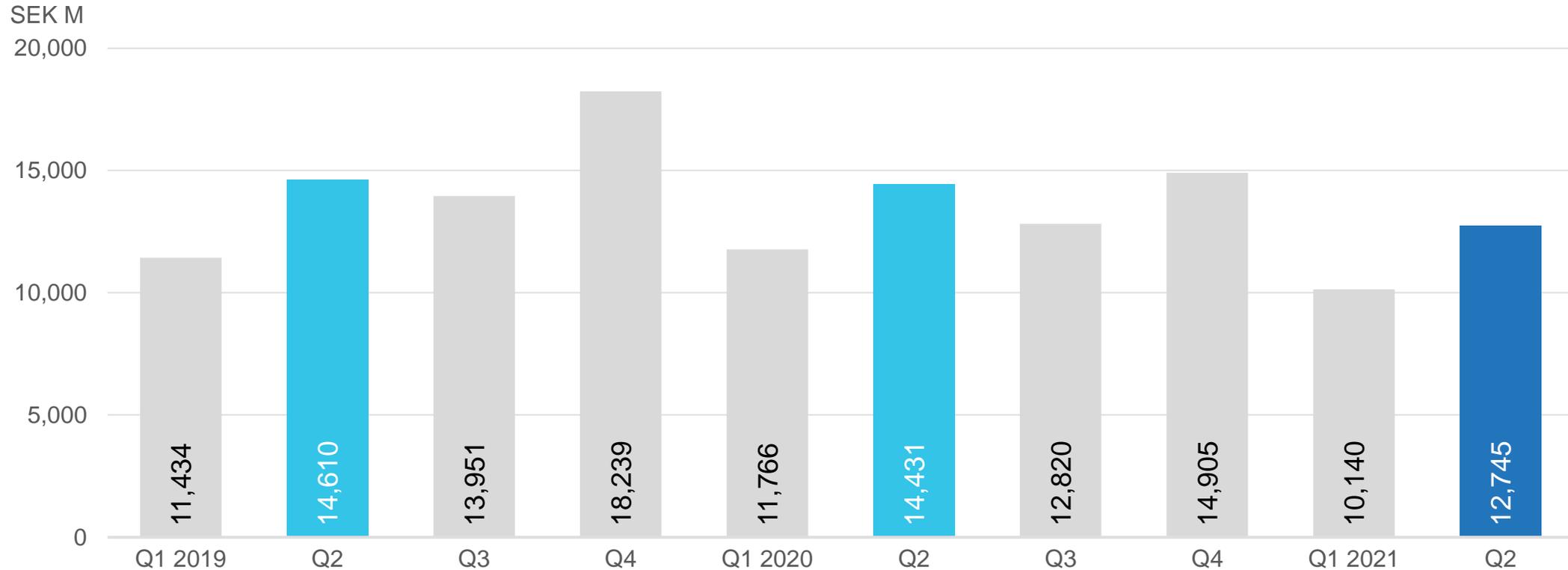
>25 projects  
with early  
involvement  
during the last  
five years

# Order backlog



# Net Sales

Lower orders received last year and no PD project recognized



# Market

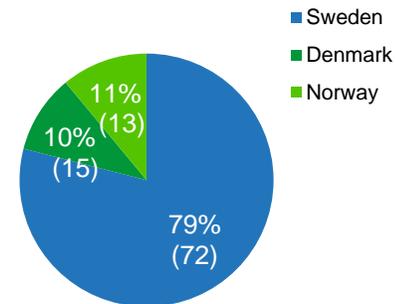
- Generally good demand in all markets
- High activity – demonstrated also by strong letting
- Concrete supply – severe impact if Cementa factory in Sweden would close
  - Assessing the situation together with suppliers and the industry

# Susanne Lithander

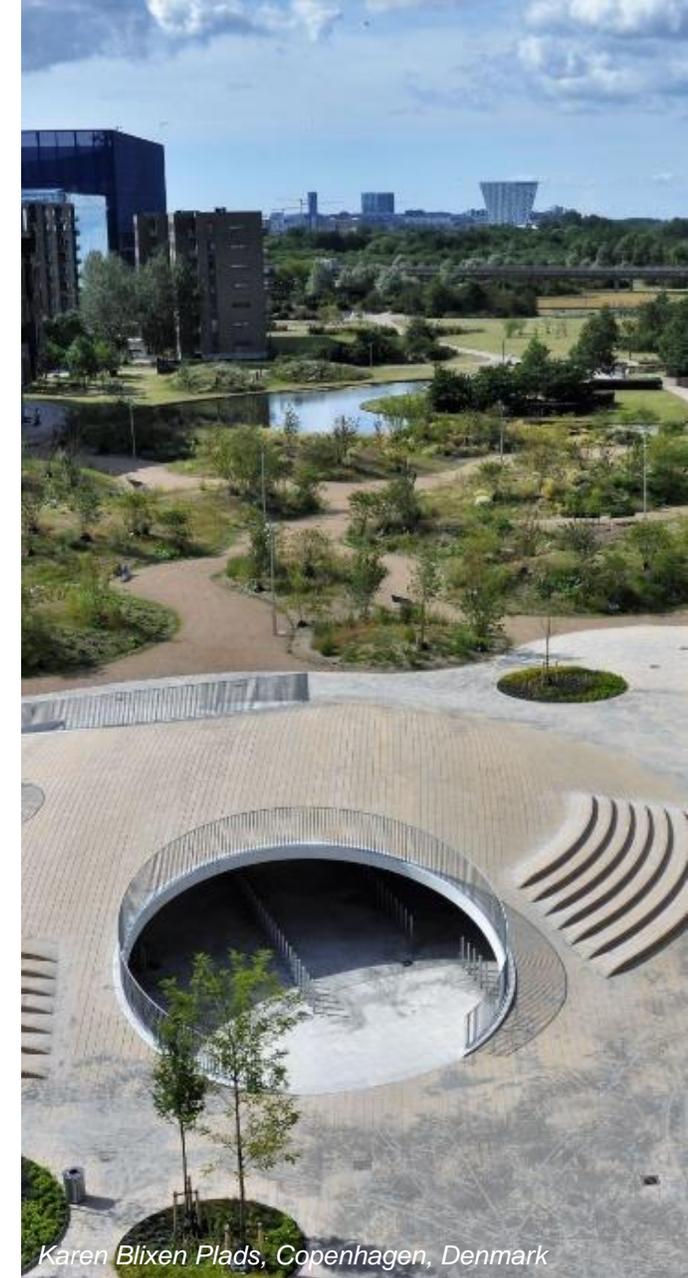
CFO

# NCC Infrastructure

Strong orders received and earnings up



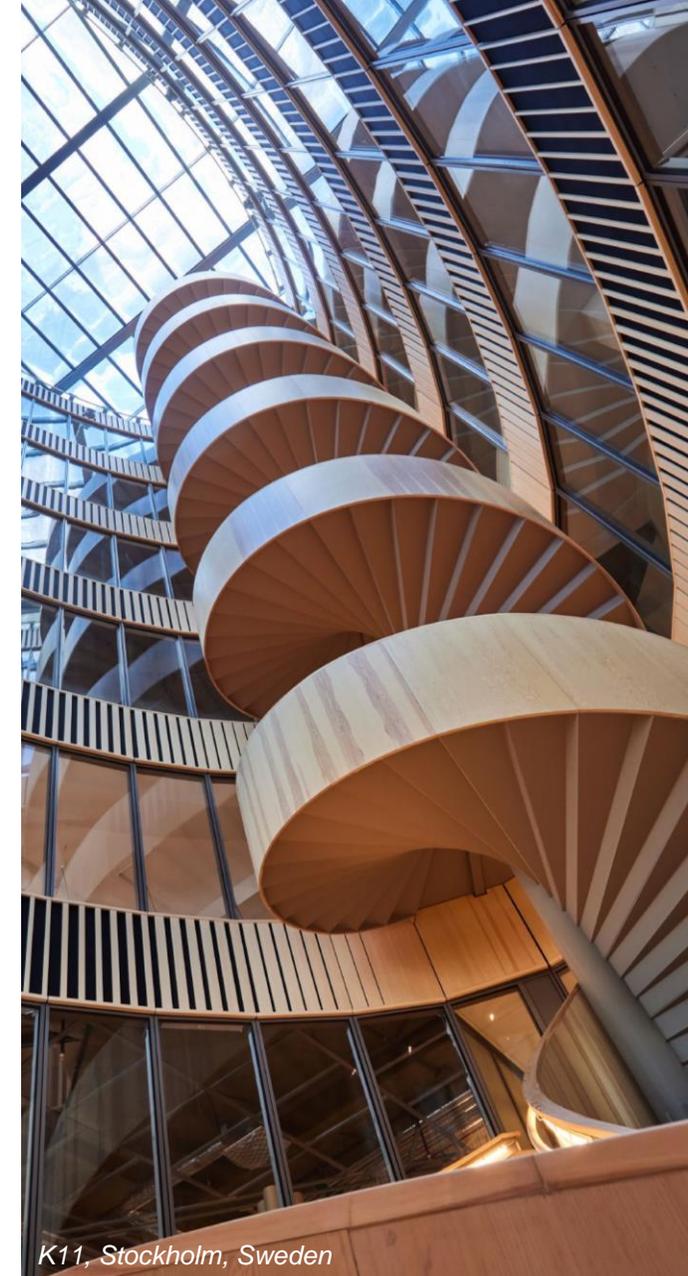
SEK M	Q2		Jan-Jun		R12	Jan-Dec
	2021	2020	2021	2020	Jul-Jun	2020
Orders received	6,769	3,253	12,202	8,028	18,254	14,080
Order backlog	20,865	19,760				16,200
Net sales	4,118	4,763	7,604	8,856	17,020	18,271
EBIT	115	105	154	145	366	357
EBIT margin, %	2.8	2.2	2.0	1.6	2.2	2.0



# NCC Building Sweden

On a strong trajectory

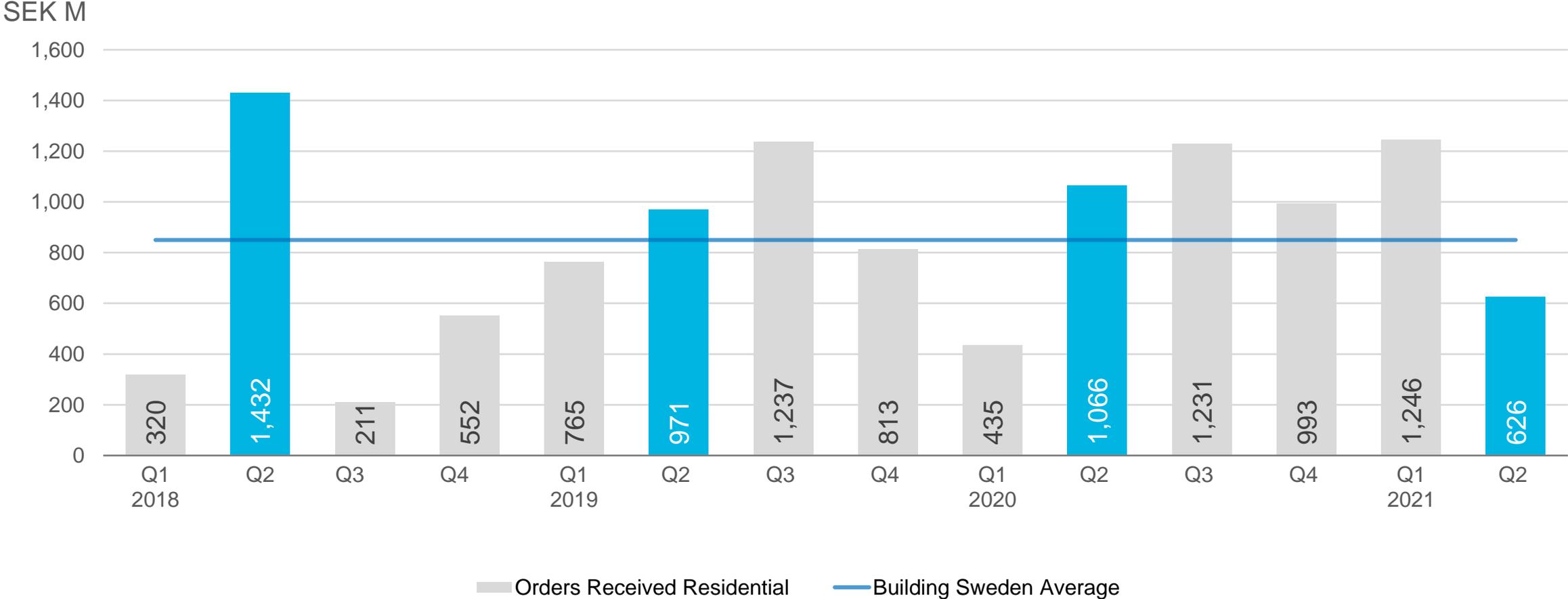
SEK M	Q2		Jan-Jun		R12 Jul-Jun	Jan-Dec
	2021	2020	2020	2020	2020/2021	2020
Orders received	4,203	3,729	7,869	8,187	14,166	14,484
Order backlog	18,700	17,898				17,670
Net sales	3,697	3,464	6,775	6,849	13,301	13,375
EBIT	129	90	219	177	423	381
EBIT margin, %	3.5	2.6	3.2	2.6	3.2	2.9



K11, Stockholm, Sweden

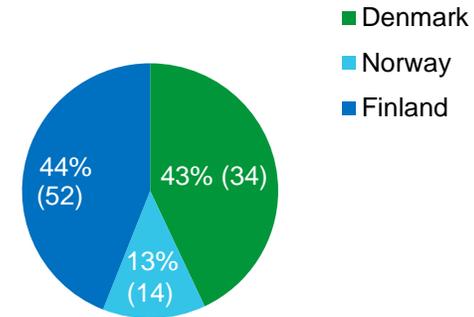
# NCC Building Sweden

44% rentals in 2021

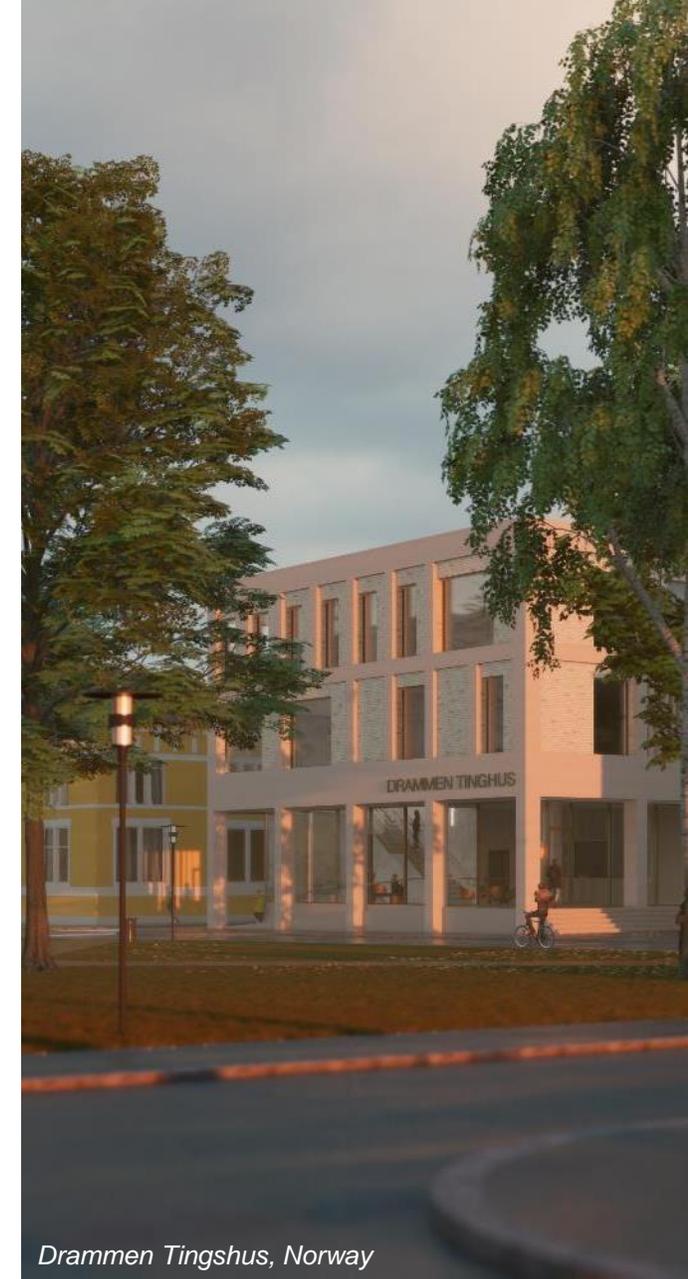


# NCC Building Nordics

## Improving across markets



SEK M	Q2		Jan-Jun		R12 Jul-Jun	Jan-Dec
	2021	2020	2021	2020	2020/2021	2020
Orders received	2,906	2,179	4,999	5,426	11,449	11,877
Order backlog	14,919	15,178				14,856
Net sales	2,680	3,142	5,100	5,997	11,237	12,134
EBIT	88	62	127	112	358	343
EBIT margin, %	3.3	2.0	2.5	1.9	3.2	2.8

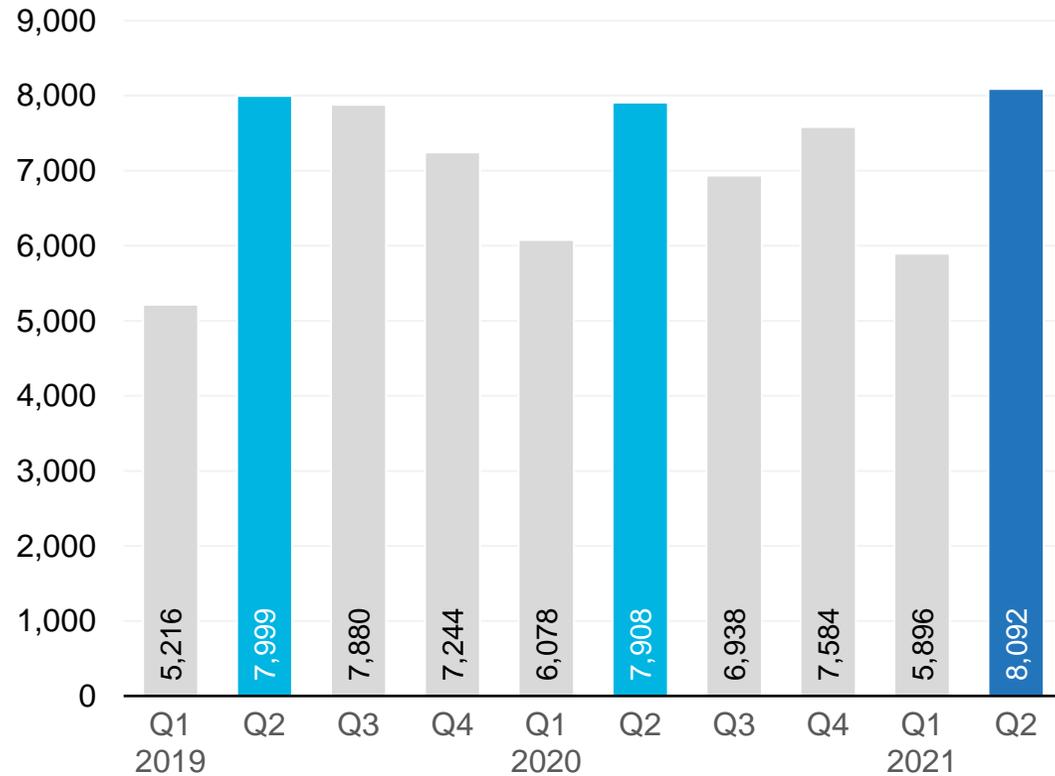


Drammen Tinghus, Norway

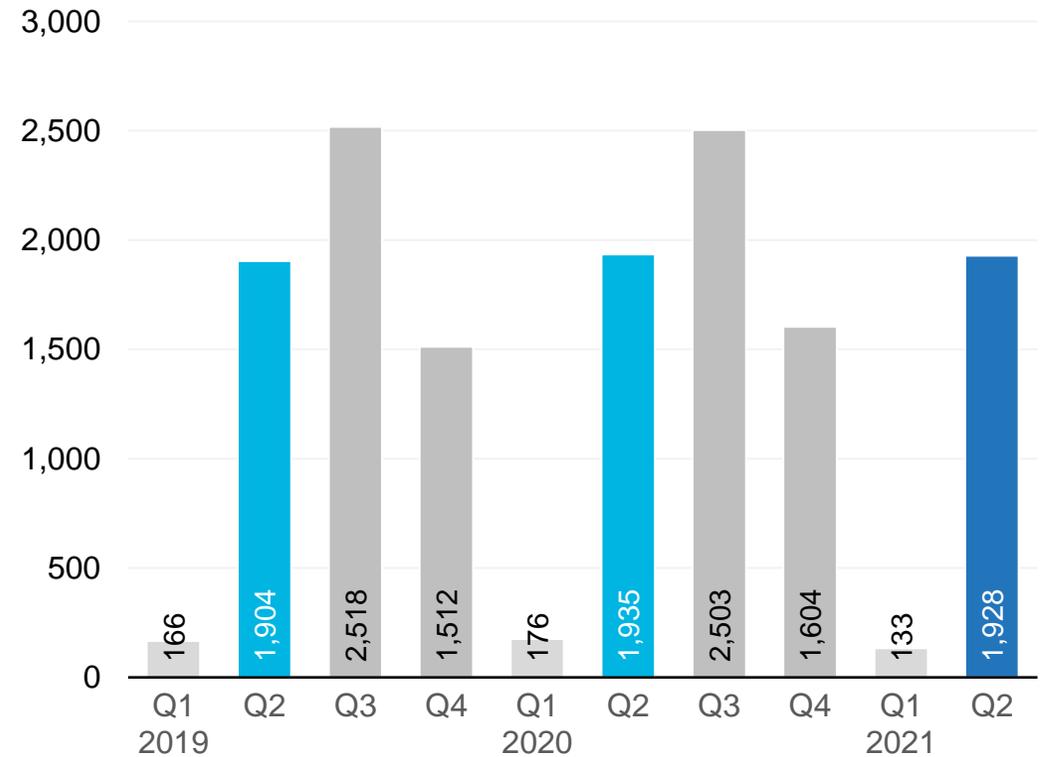
# NCC Industry: Stone and asphalt volumes

Volumes on par with previous years

Stone material sold, thousands of tons

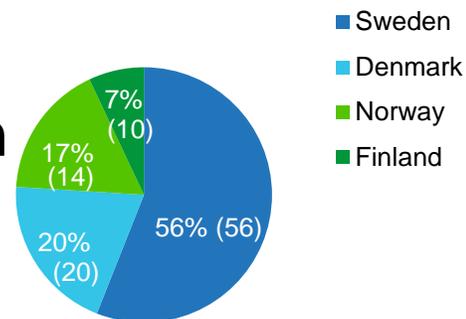


Asphalt sold, thousands of tons

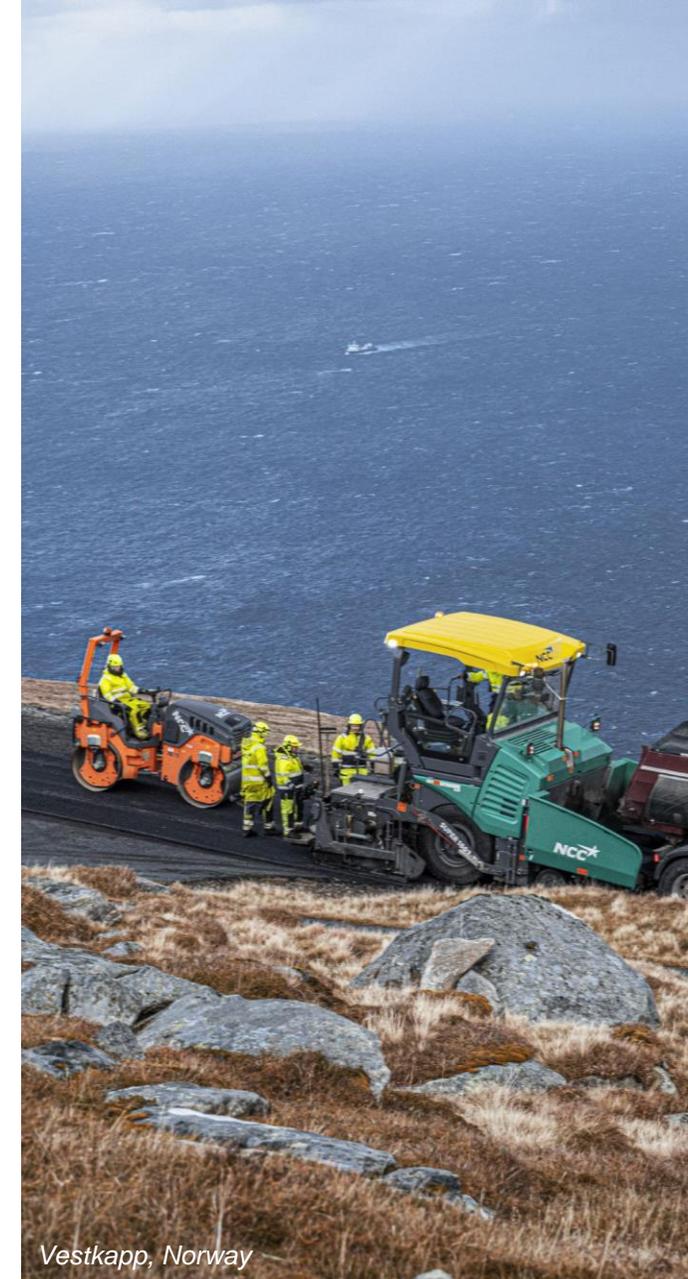


# NCC Industry

Positive earnings effect from new organization  
– negative from Asphalt Finland



SEK M	Q2		Jan-Jun		R12	Jan-Dec
	2021	2020	2021	2020	Jul-Jun	2020
Orders received	2,984	3,315	5,868	6,235	10,238	10,605
Net sales	3,107	3,139	3,929	4,065	10,732	10,869
EBIT	243	244	-55	-119	450	386
Operating margin %	7.8	7.8	-1.4	-2.9	4.2	3.5
ROCE %					8.5	7.8



# NCC Property Development

No project recognized in profit, investing in future projects

SEK M	Q2		Jan-Jun		R12 Jul-Jun	Jan-Dec
	2021	2020	2021	2020	2020/2021	2020
Net sales	40	679	1,175	2,255	1,657	2,737
EBIT	-25	68	22	391	65	434
Capital employed	6,401	5,337			6,401	6,433
EBIT margin %	-62.6	10.1	1.9	17.3	3.9	15.9
ROCE %					1.1	8.0

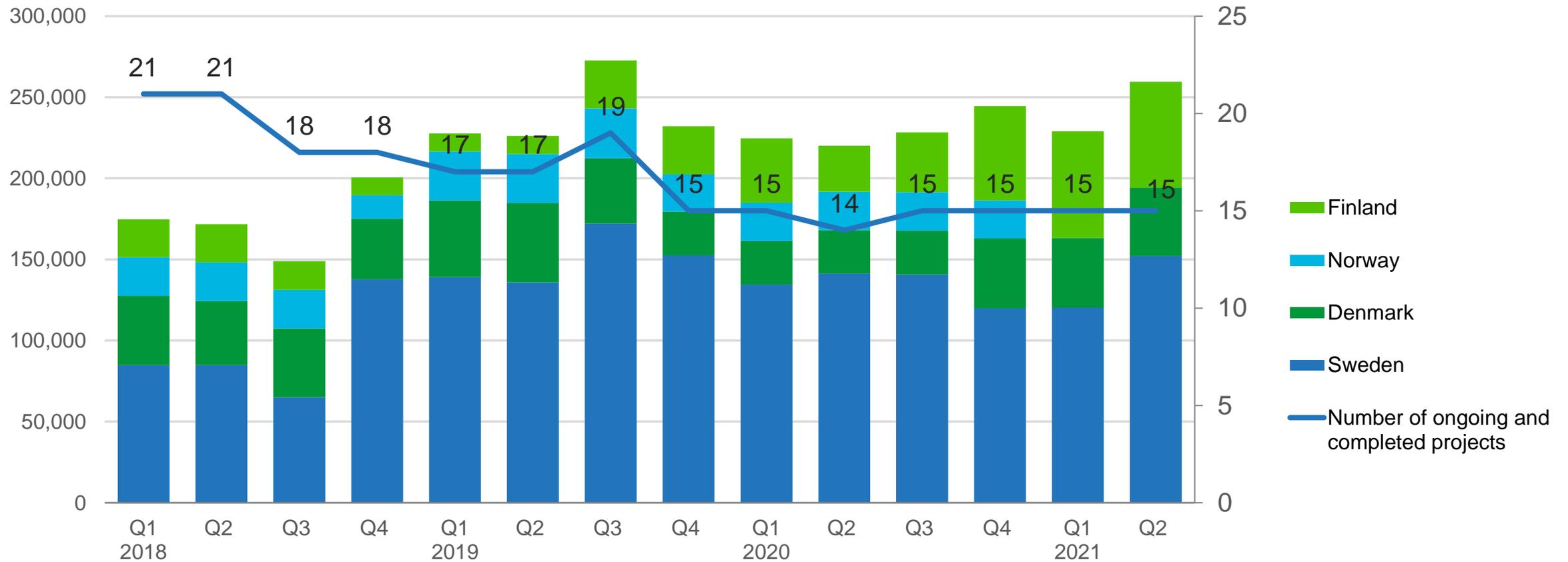


OOPS, Esbo, Finland

# One new project started in Q2

- project "MIMO" in Sweden. One minor residual project sold with no earnings effect

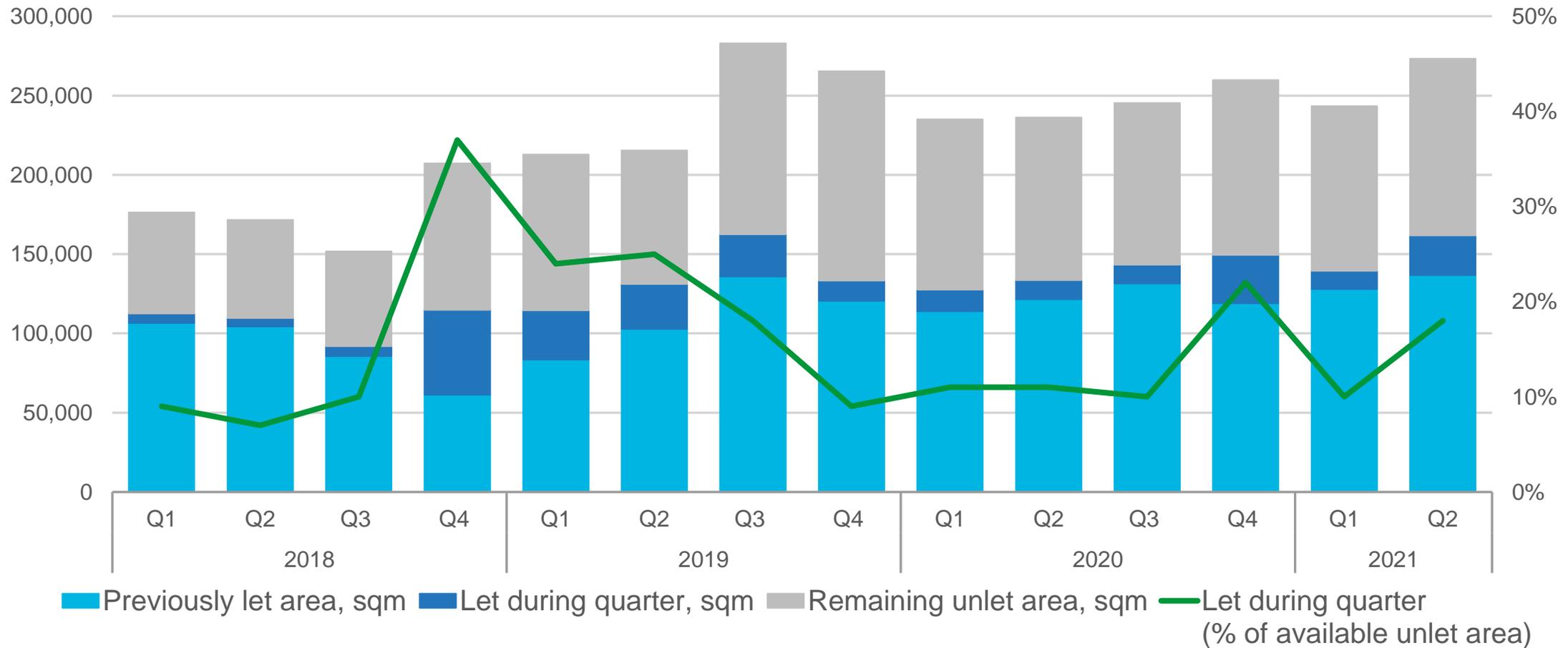
Lettable space in ongoing projects, sqm



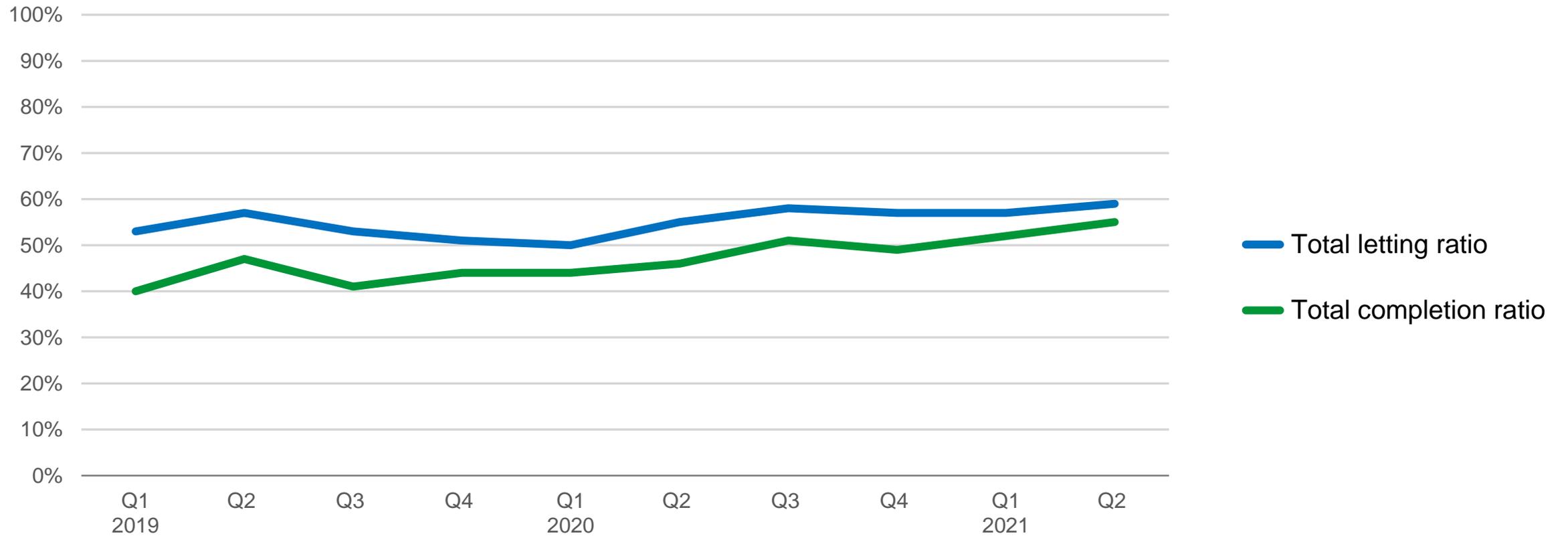
# Strong letting in the quarter

24 new contracts in Q2

Letting also in 14 projects that are already sold and recognized in profit



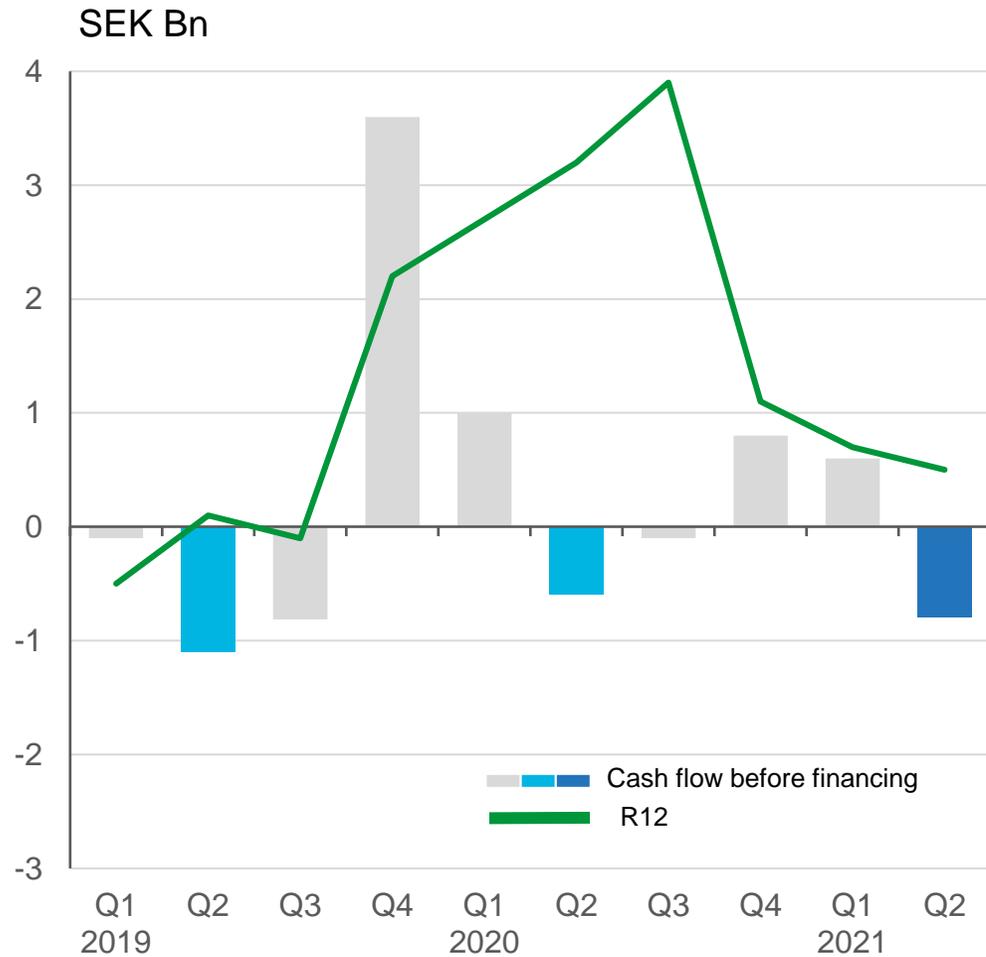
# Letting and completion status



# Earnings

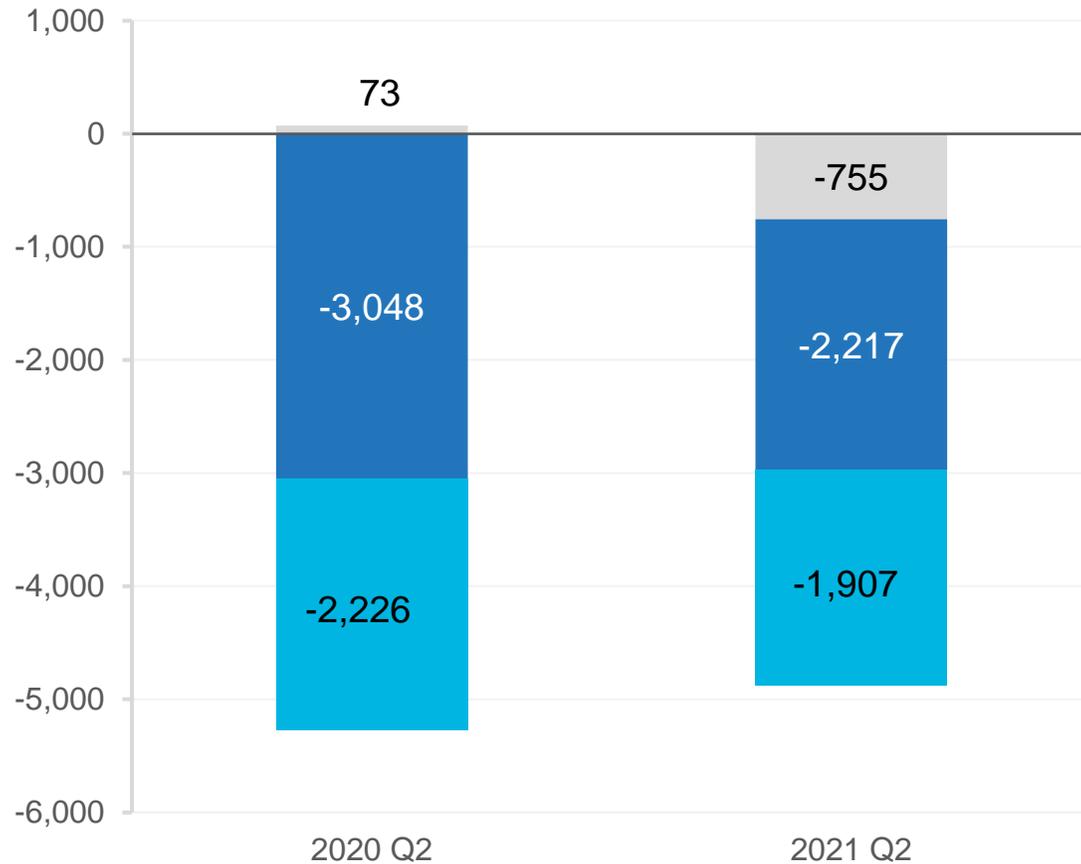
SEK M	Q2		Jan-Jun		R12 Jul-Jun	Jan-Dec
	2021	2020	2021	2020	2020/2021	2020
<b>Earnings in segments (all BAs)</b>	<b>550</b>	<b>570</b>	<b>468</b>	<b>706</b>	<b>1,664</b>	<b>1,902</b>
<i>NCC HQ and subsidiaries</i>	-29	-47	-63	-92	-139	-168
<i>Internal gains</i>	-33	-18	-31	-17	-78	-64
<i>Other group adjustments</i>	-20	-26	-38	-173	-100	-235
<i>Road Services</i>	19	3	9	-10	-56	-75
<b>Other &amp; Eliminations total</b>	-63	-87	-124	-291	-375	-542
<b>EBIT</b>	<b>487</b>	<b>483</b>	<b>344</b>	<b>414</b>	<b>1,290</b>	<b>1,360</b>
Financial items	-11	-20	-20	-41	-59	-80
<b>EBT</b>	<b>476</b>	<b>463</b>	<b>324</b>	<b>373</b>	<b>1,232</b>	<b>1,281</b>
Tax	-88	-28	-59	-22	-59	-22
<b>Profit for the period</b>	<b>388</b>	<b>435</b>	<b>265</b>	<b>351</b>	<b>1,173</b>	<b>1,259</b>

# Cashflow



SEK M	Q2		Jan-Jun		R12	Jan-Dec
	2021	2020	2021	2020	Jul-Jun	2020
From operating activities	702	773	733	828	2,641	2,736
From property projects	-812	-259	-779	37	-2,077	-1,262
Other working capital	-470	-1,002	217	-350	662	95
Investing activities	-192	-116	-348	-101	-709	-463
<b>Cash flow before financing</b>	<b>-772</b>	<b>-605</b>	<b>-177</b>	<b>413</b>	<b>517</b>	<b>1,106</b>

# Net debt per Jun 30, 2021



- Leasing liabilities
- Pension liability
- Corporate net debt

Net debt* / EBITDA	
<b>Target</b>	<b>&lt; 2.5x</b>
<b>Jun 30, 2021</b>	<b>0.38x</b>

\*Corporate net debt excluding pension liabilities and leasing liabilities

# Tomas Carlsson

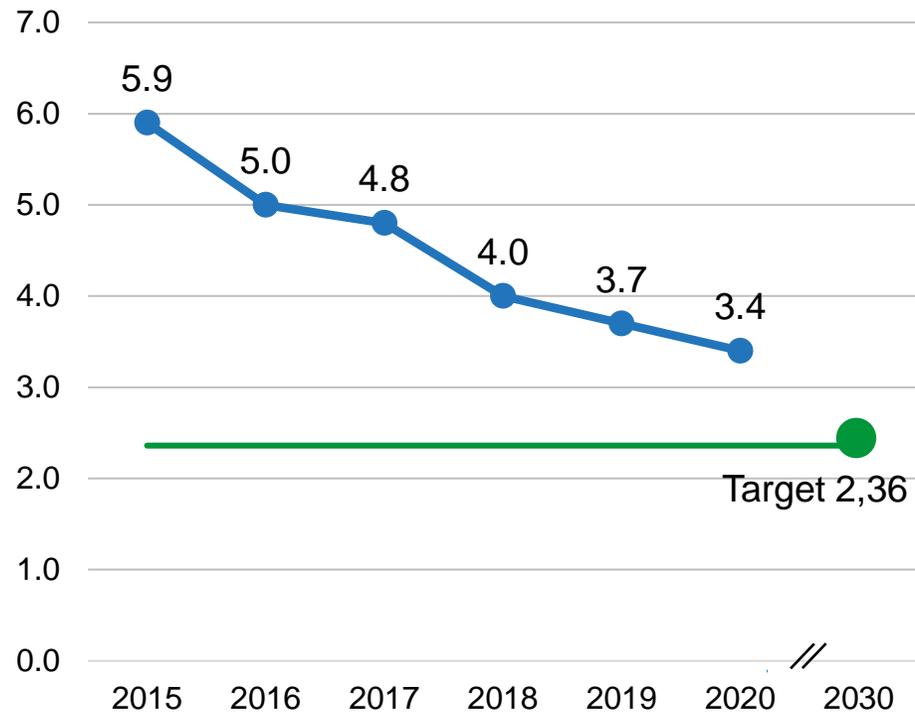
CEO

# Financial targets

	<p>Earnings per share</p> <p><b>16.00</b></p> <p>SEK 2023</p>	<p>Net debt</p> <p><b>&lt; 2.5</b></p> <p>x EBITDA</p>	<p>Dividend policy</p> <p><b>≥ 40%</b></p> <p>of profit after tax</p>
<p><b>Q2 2021</b></p>	<p><b>10.89</b></p> <p>SEK R12</p>	<p><b>0.38x</b></p> <p>(-0.03x)</p>	

# Climate & Energy – reported in Q1 and Q3 reports

CO<sub>2</sub>e (ton)/MSEK



Climate & Energy  
**-60%**  
Ton CO<sub>2</sub>e  
(scope 1 and 2)  
per SEK M turnover  
2030

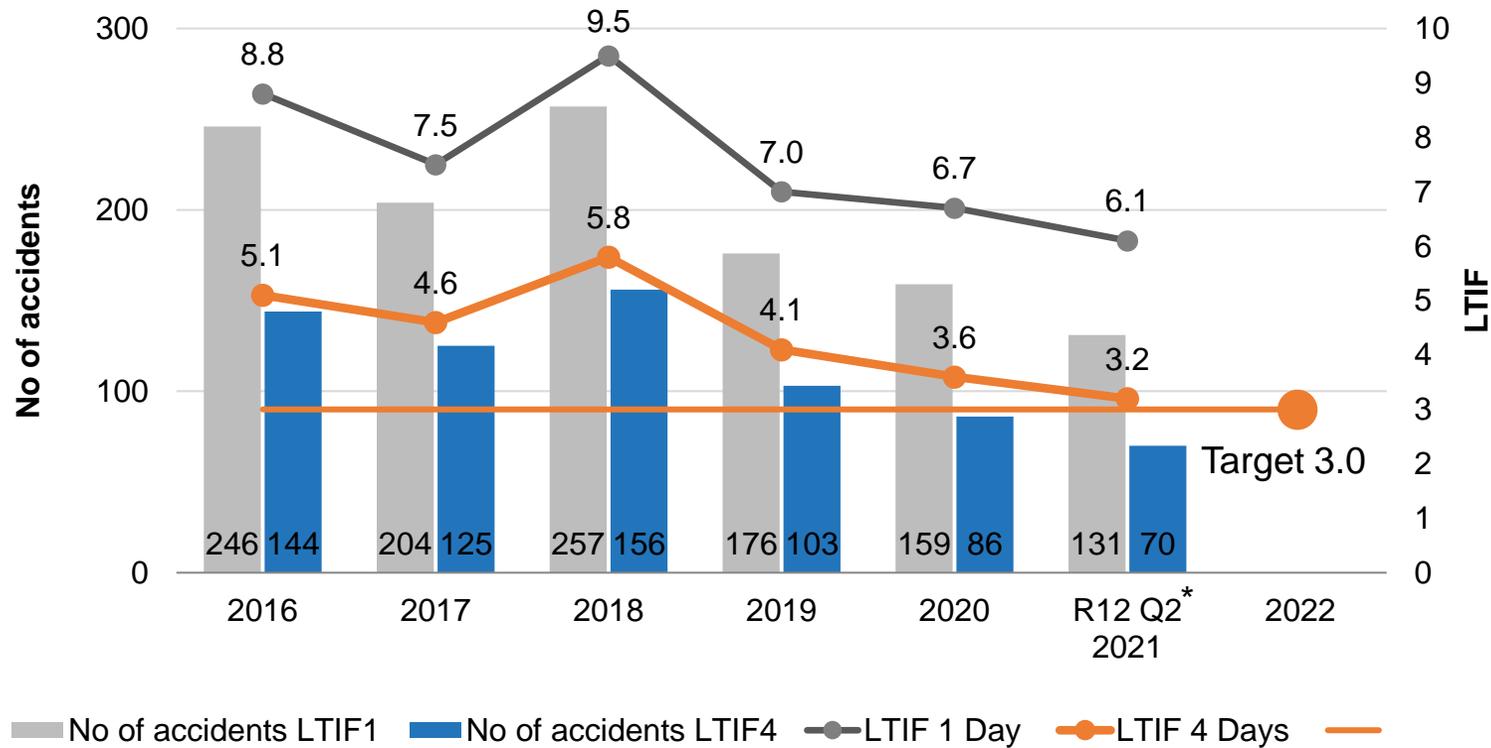
**-42%**  
December  
2020

Climate & Energy  
**-50%**  
Ton CO<sub>2</sub>e relative to  
bought volumes of the  
largest scope 3  
contributors within  
NCC\*  
2030

Working  
on  
baseline

\*Concrete, steel,  
asphalt and  
transports

# Health & Safety



Health & Safety  
**LTIF4**  
**3.0**  
 2022

**3.2**  
 Q2 2021 R12

# Continuing our improvements – on the right track

- Strong orders received
- All contracting units perform better than last year
- Industry has potential to improve
- Property development as planned – strong letting
  
- Demand continues to be strong

