

Year-end report *2011*

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Agenda

Q4 in brief

2011 in summary

Market, orders and projects

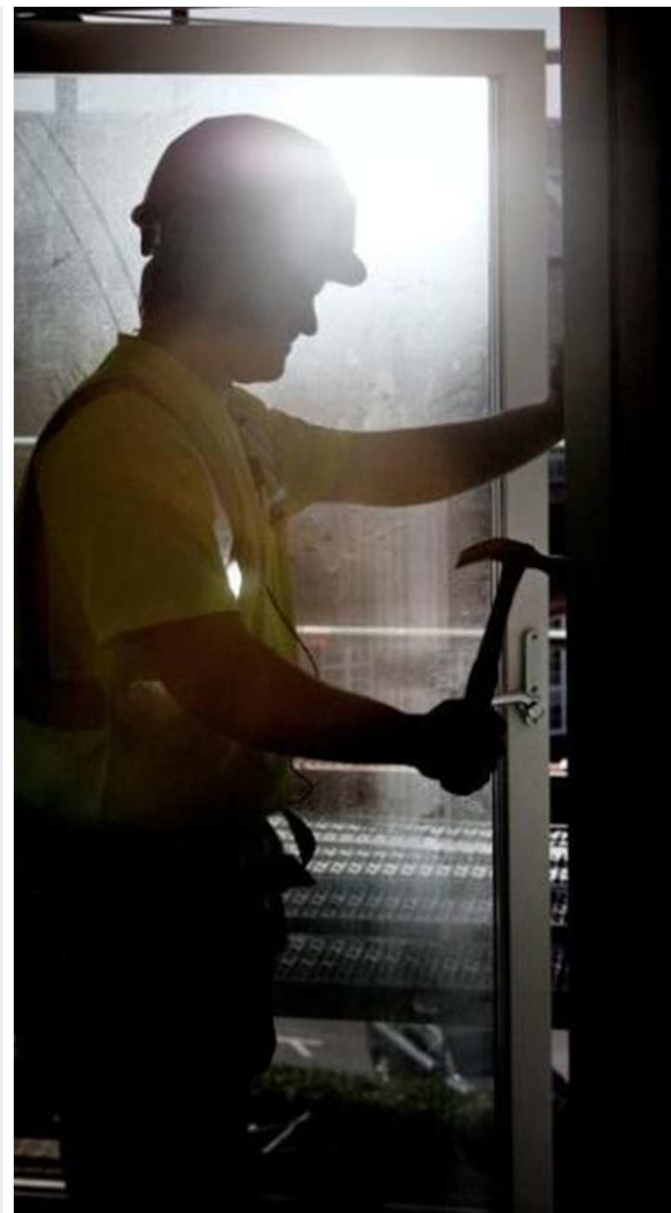
*Results and comments
by business area*

Financial position

*Strategy for strengthening
market position*

Q4 in brief

- Earnings – among the best ever
- High activity
 - sales up 18 percent
- Demand remained favorable
 - increase in orders received
- Contradictory market signals
- High order backlog
 - up SEK 6 bn during the year

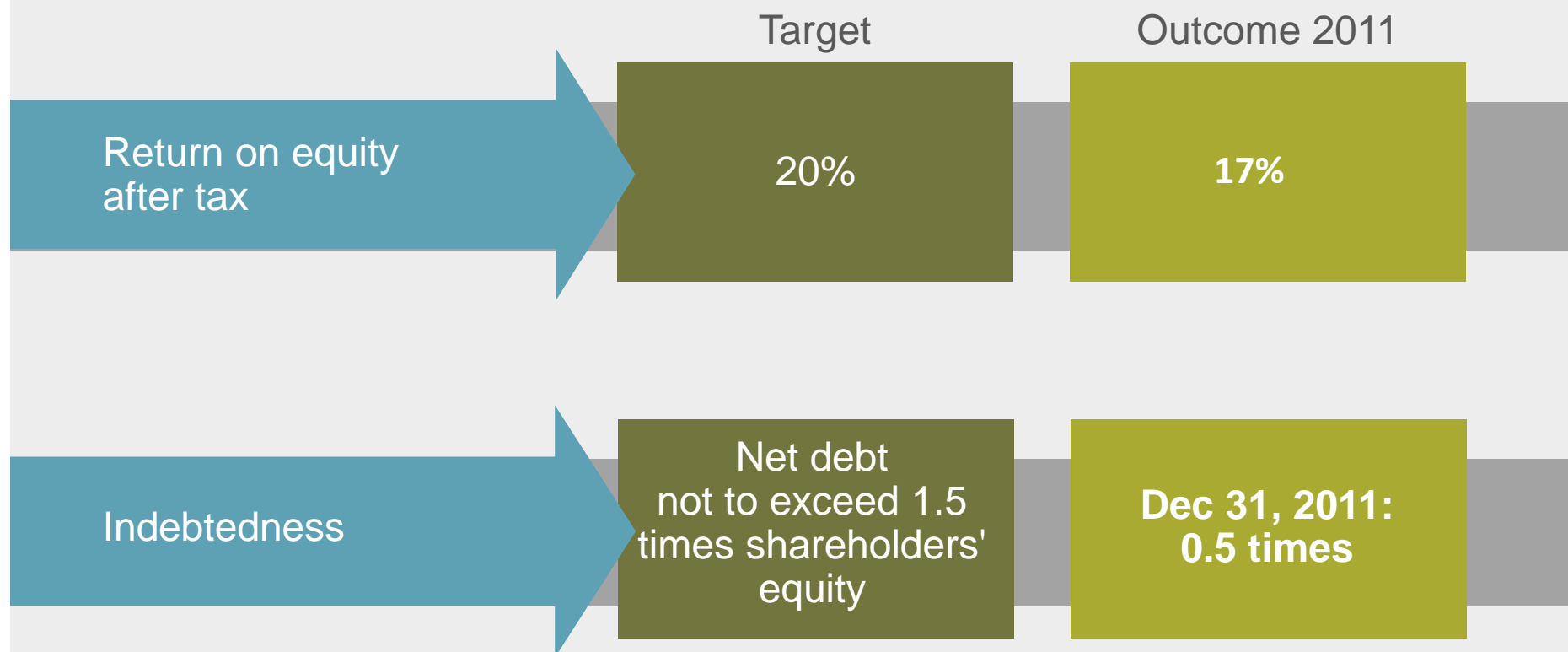


2011 in summary

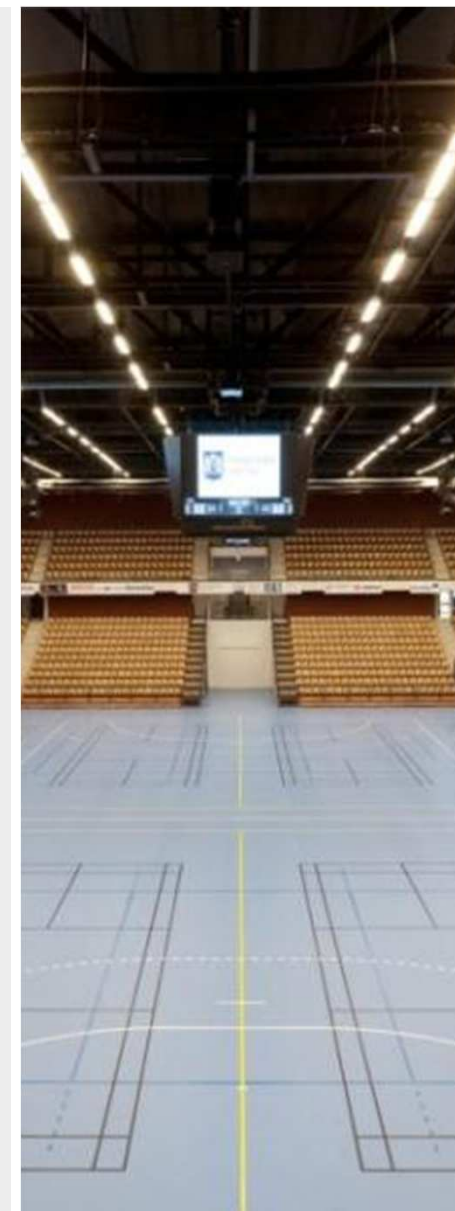
- Cold start
- Projects impacted by the recession
- Turbulent business environment
- Favorable demand
- Starts for housing and property-development project
- Operating profit at high level of SEK 2,017 M (2,254)
- High order backlog and solid financial position



Financial objectives



Earnings per share and dividend SEK



NCC's Construction units

2011

- Market trend in the Nordic region
- Contradictory market signals at year-end
- Healthy demand in building, civil engineering and housing
- Tracks the general economic trend with a slight lag
- No major growth in construction investments anticipated for 2012



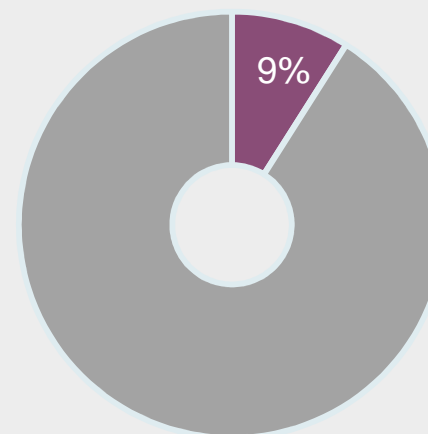
Citybanan, Stockholm

NCC's Construction units

– major orders in Q4 2011

- Server hall for Facebook in Luleå, Sweden, SEK 400 M
- Housing units in Helsinki, for ATT, Finland, SEK 460 M
- Road and tunnel in Bergen, Norway, SEK 440 M

Orders received, share exceeding SEK 250 M



Total: SEK 14.9 bn

Road and tunnel in Bergen, Norway

- 2.5 km of road tunnel southwest of Bergen in Norway
- 3.6 km of road, as well as pedestrian and bicycle path, bridges, civil engineering structures, electricity and telecom facilities
- Order valued at approximately SEK 440 M



NCC Roads

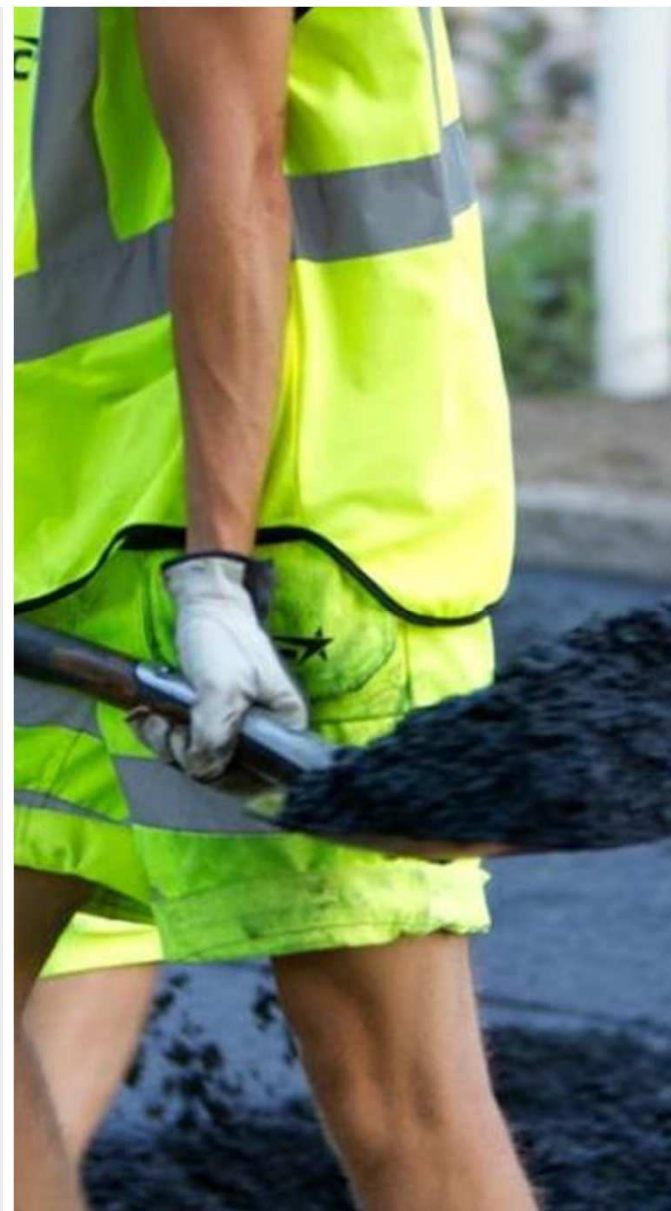
2011

- Higher volumes of aggregates and asphalt
- Investments in Green Asphalt[®] and recycling
- Demand in 2012 on par with 2011



E4 Highway Enånger - Hudiksvall

- Green Asphalt® – first major project
- 150,000 tons of asphalt
- 500,000 m² of paving
- Green Asphalt® reduces CO₂ emissions by up to 1,000 tons (corresponding to annual emissions from 400 vehicles)



NCC Housing 2011

- Stable demand and higher supply
- Underlying need
- Stable prices
- Sales rate of 10% per month
- Demand and prices for newly produced housing deemed stable in 2012



Trend in housing portfolio for 2011

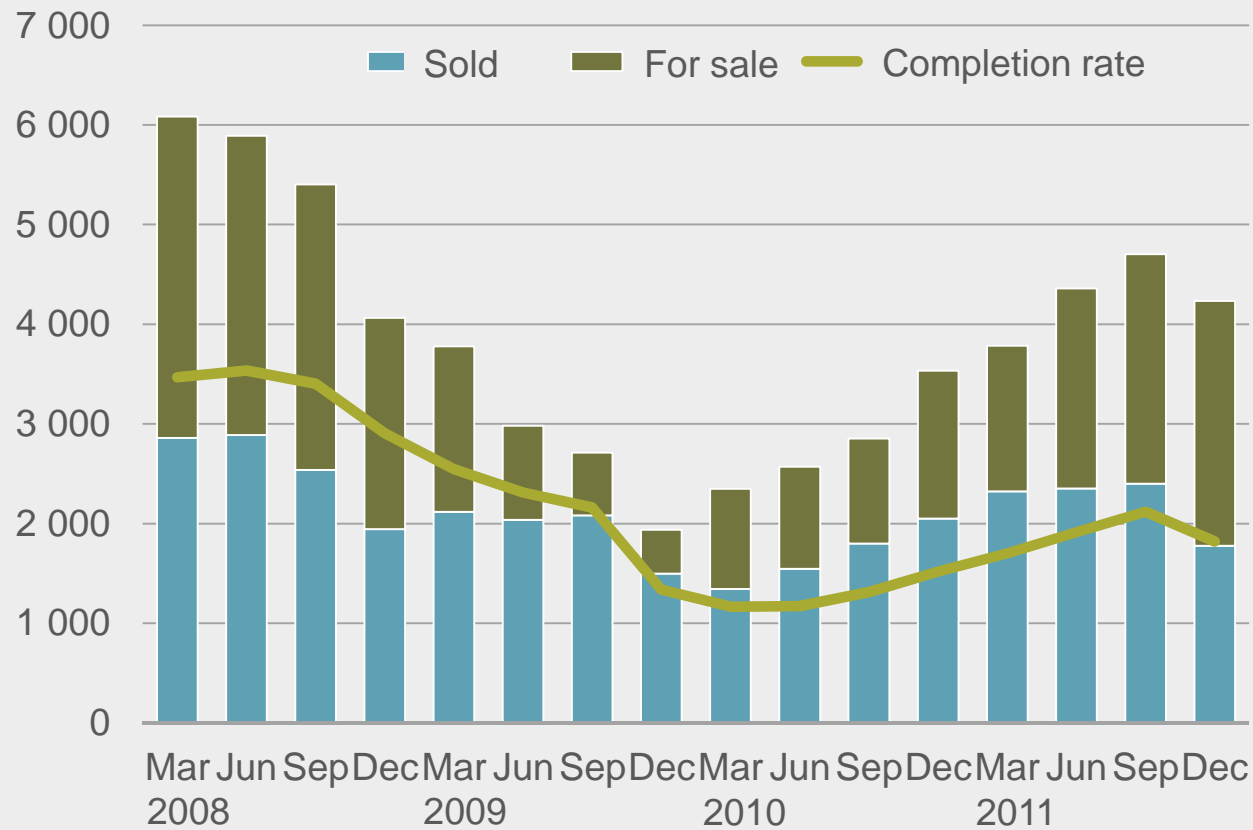
Number	For private customers		For investors	
	2011	2010	2011	2010
Started	3,564	3,489	852	1,009
Sold	2,504	2,727	724	1,009
Recognized in profit	2,764	1,579	735	1,116
Ongoing production	4,233	3,533	1,130	1,326
Sales rate, %	42	58	89	100
Completion rate, %	43	43	49	48
For sale	2,653	1,593	124	0



Leipzig Taucha, Germany

Lower sales and completion rate

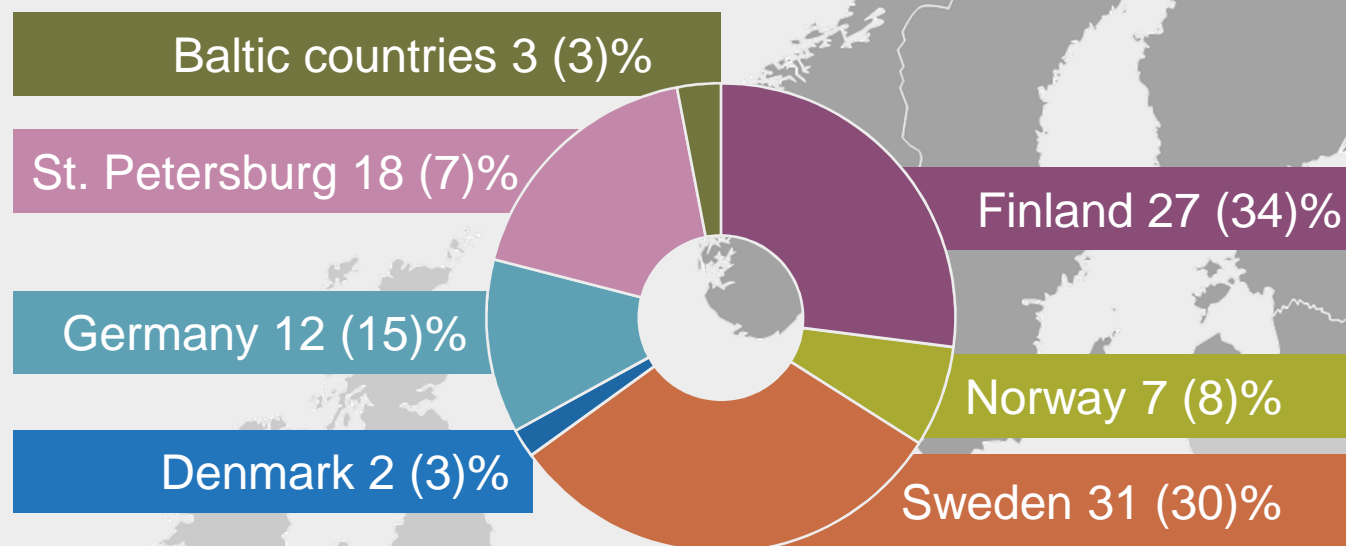
Number of housing units for private customers in ongoing production



Beckomberga, Stockholm

NCC Housing

Housing for private customers,
ongoing production
December 31, 2011



NCC Property Development 2011

- Cautious market, longer decision-making processes
- Stable rental market
- Favorable rental activity – basis for future sales
- Good balance in project portfolio



Plaza Business Park, Helsinki

NCC Property Development

23 ongoing or completed projects
(not recognized in profit)

Denmark, 9 projects

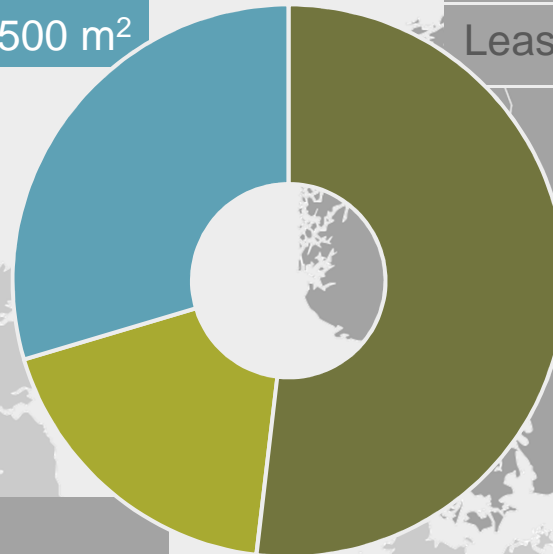
Leasable area 77,500 m²

Sweden, 9 projects

Leasable area area 135,800 m²

Finland, 5 projects

Leasable area 48,500 m²



Project starts in Q 4

- Office project in Helsinki, Finland
5,900 m²
- Logistics in Gothenburg, Sweden
28,500 m²
- Retail property in Linköping, Sweden
11,200 m²
- Retail property in Sundsvall, Sweden
4,900 m²



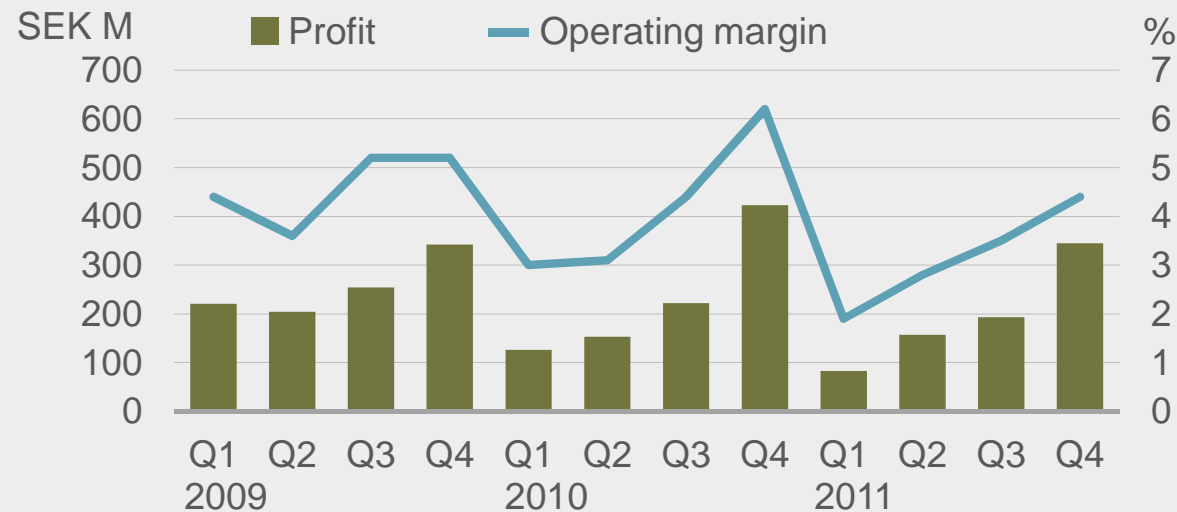


Ann-Sofie Danielsson
Chief Financial Officer

Income statement

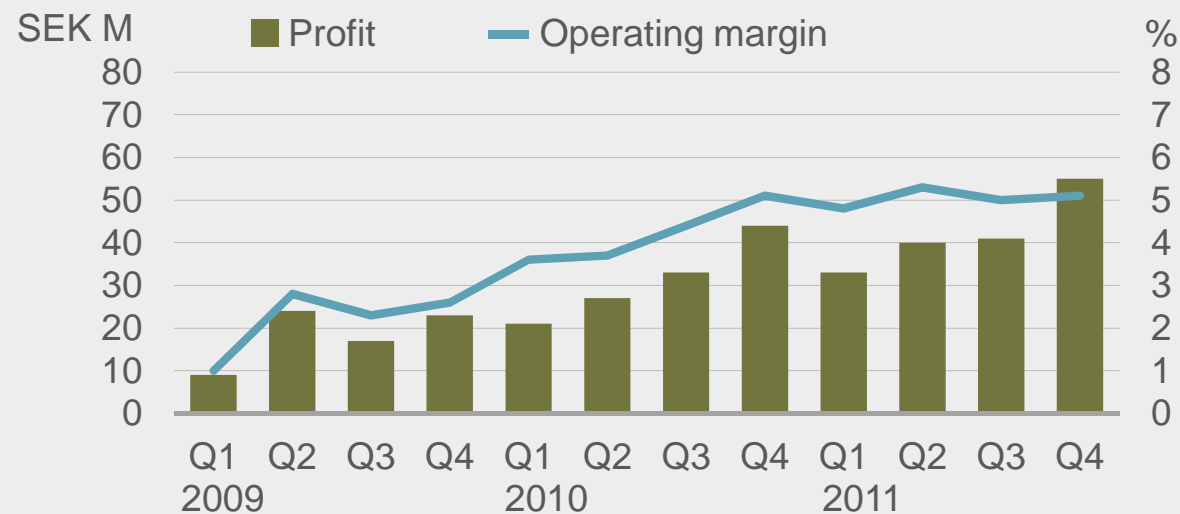
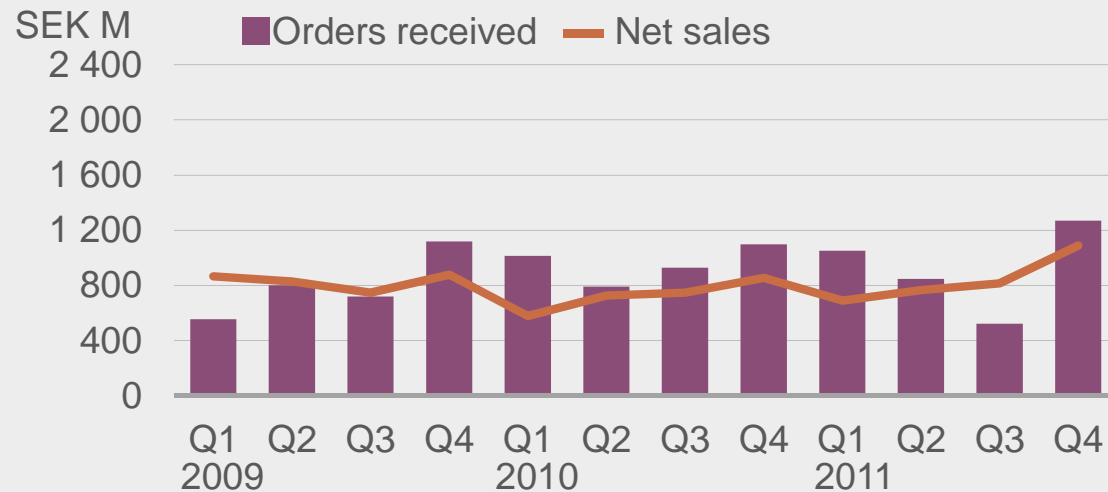
SEK M	Oct-Dec 2011	Oct-Dec 2010	Jan-Dec 2011	Jan-Dec 2010
Net sales	18,119	15,338	52,535	49,420
Gross profit	1,965	1,598	4,814	4,933
Selling and administrative costs	-798	-750	-2,774	-2,682
<i>Cost ratio</i>	4,4%	4,9%	5,3%	5,4%
Other	-27	0	-23	4
Operating profit	1,140	848	2,017	2,254
Financial items	-61	-47	-208	-246
Profit after financial items	1,080	801	1,808	2,008
Tax on profit for the period	-311	-210	-496	-481
<i>Tax rate</i>	28,8%	26,2%	27,4%	23,9%
Profit for the period	769	590	1,312	1,527

NCC Construction Sweden

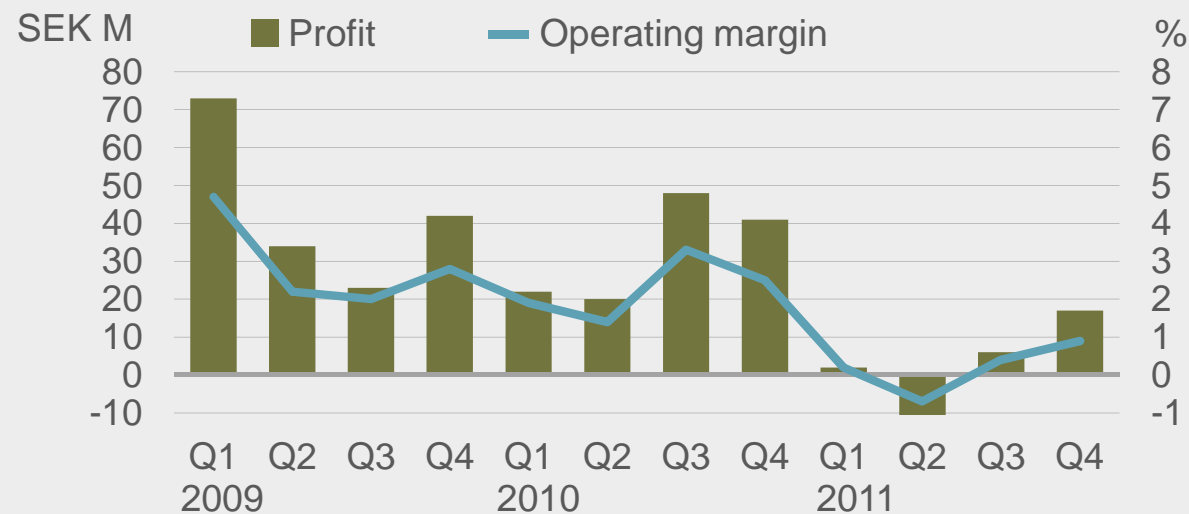
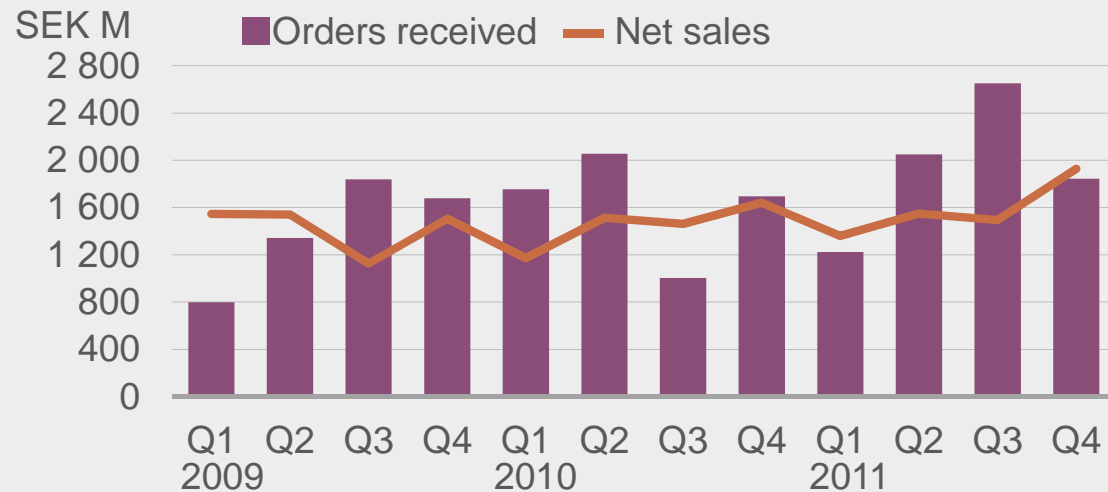


Light Railway, Stockholm

NCC Construction Denmark

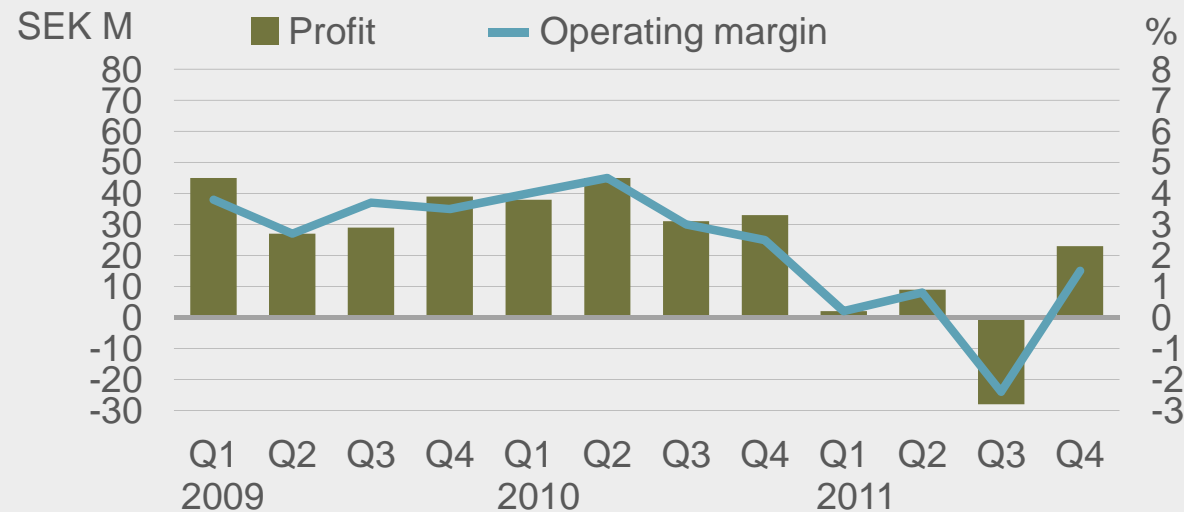
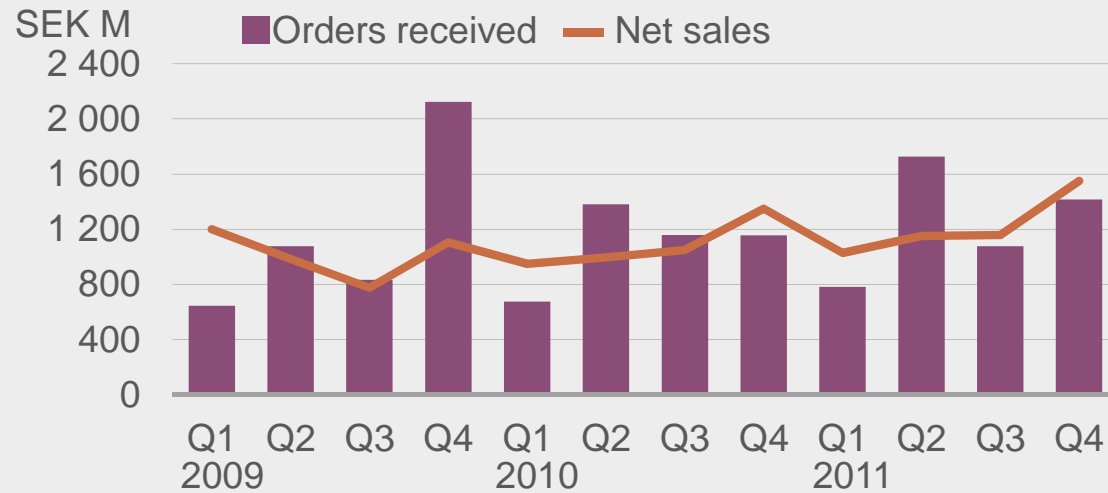


NCC Construction Finland



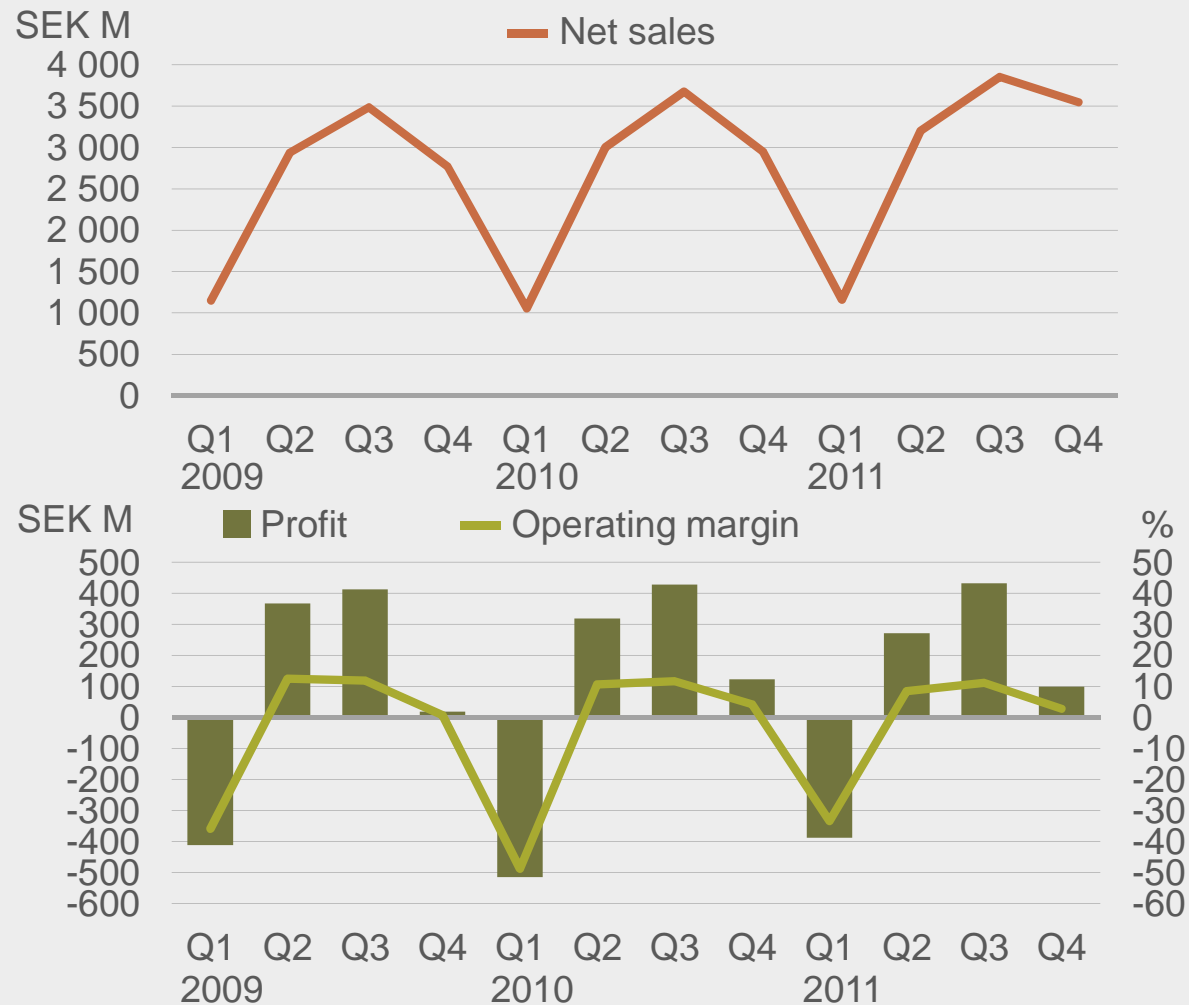
Falcon Business Park, Helsinki

NCC Construction Norway

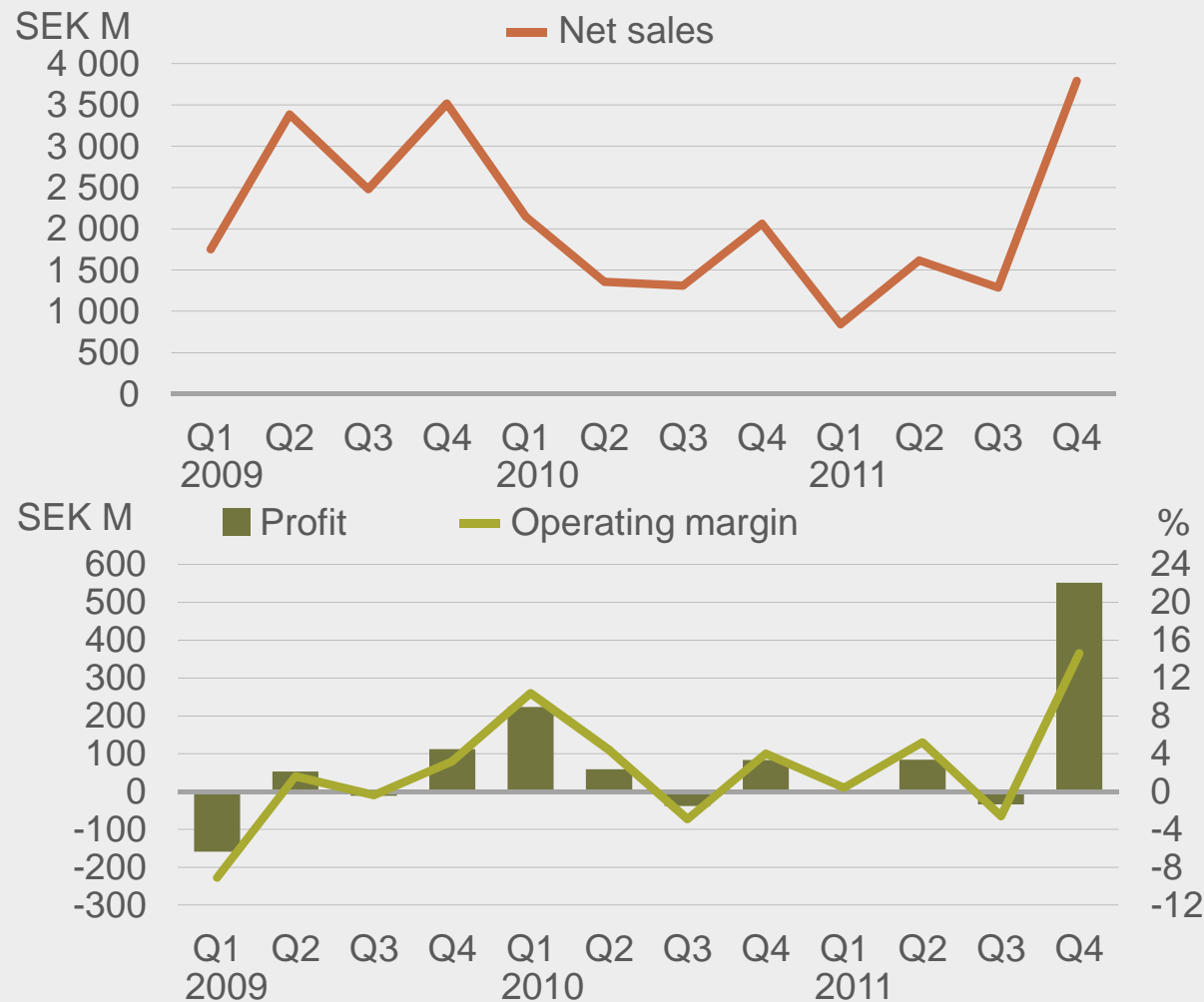


Inspira Science Center, Norway

NCC Roads



NCC Housing



Housing units recognized in profit

Number of housing units	Oct-Dec 2011	Oct-Dec 2010	Jan-Dec 2011	Jan-Dec 2010
Sweden	261	162	673	501
Denmark	67	5	73	41
Finland	399	47	981	179
Baltic countries	33	21	108	105
St. Petersburg	115	0	115	0
Norway	0	52	104	83
Germany	412	277	710	670
Total, private customers	1,287	564	2,764	1,579
Investor market	403	219	735	1,116
Total	1,690	783	3,499	2,695

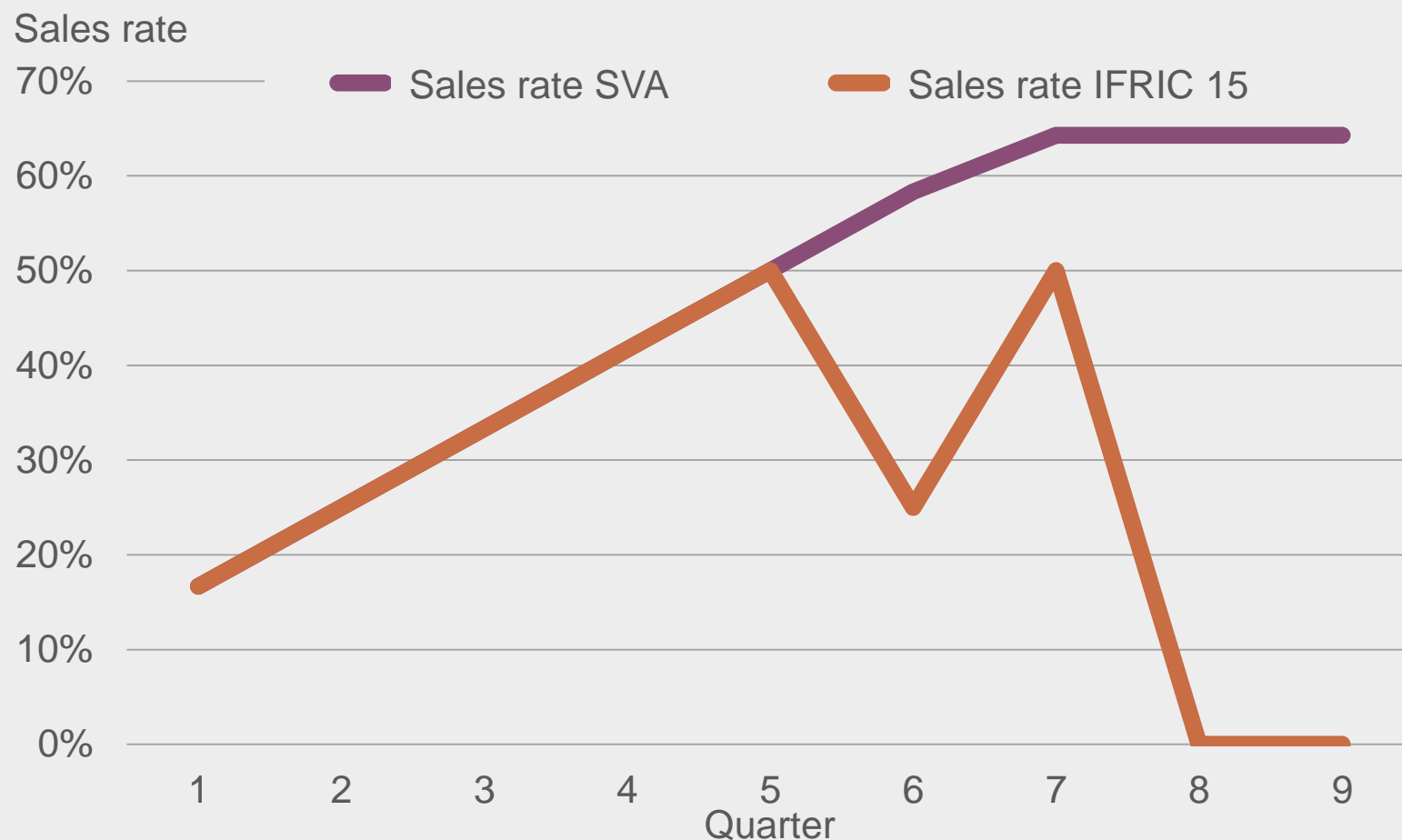


Housing units sold

Number of housing units	Oct-Dec 2011	Oct-Dec 2010	Jan-Dec 2011	Jan-Dec 2010
Sweden	162	260	567	822
Denmark	34	23	70	79
Finland	188	206	815	859
Baltic countries	23	37	98	121
St. Petersburg	39	36	169	48
Norway	38	48	125	157
Germany	201	190	660	641
Total, private customers	685	800	2,504	2,727
Investor market	392	282	724	1,009
Total	1,077	1,082	3,228	3,736



Why the low sales rate in ongoing production – example

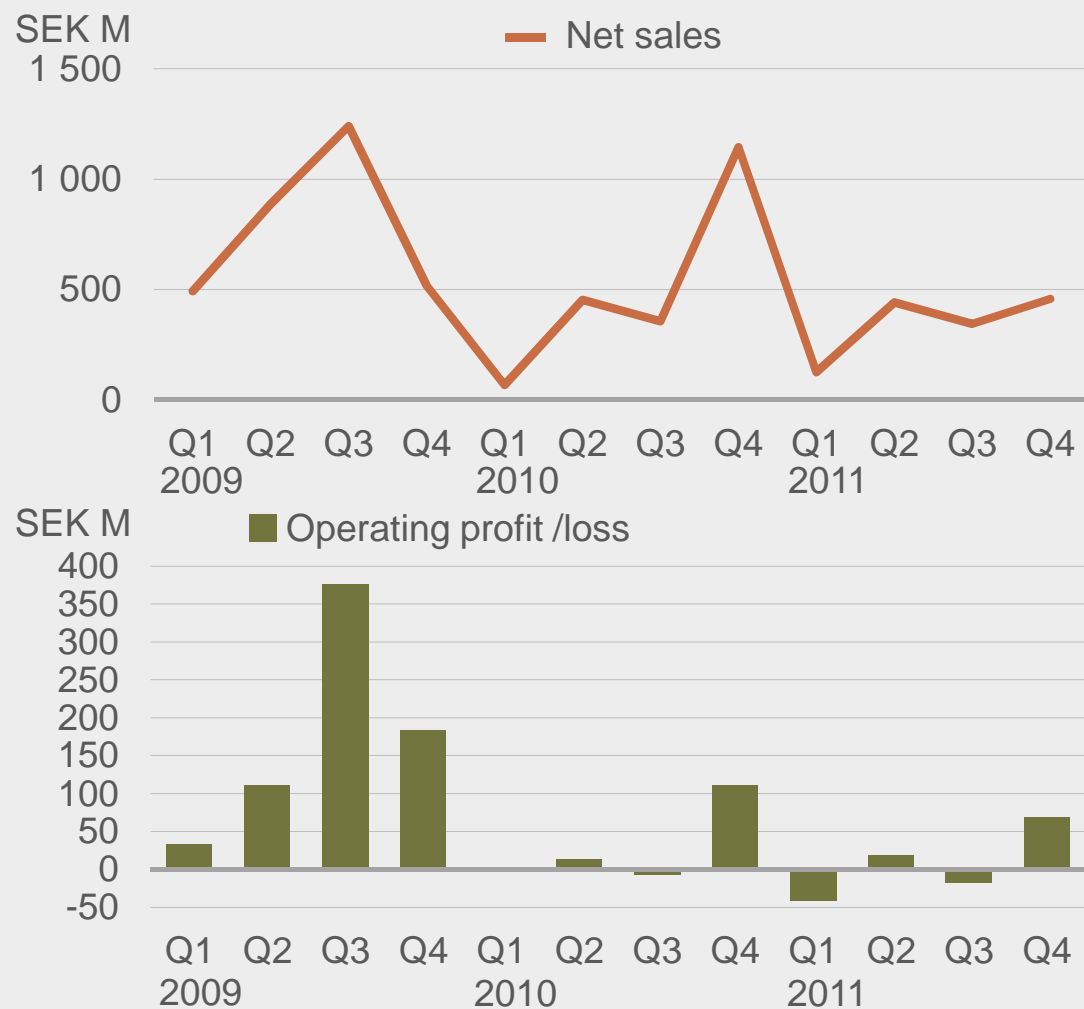


Housing starts

Number of housing units	Oct-Dec 2011	Oct-Dec 2010	Jan-Dec 2011	Jan-Dec 2010
Sweden	262	393	924	1,089
Denmark	67	32	110	95
Finland	250	370	924	1,126
Baltic countries	0	76	149	108
St. Petersburg	136	127	618	255
Norway	45	47	142	223
Germany	133	150	697	593
Total , private customers	893	1,195	3,564	3,489
Investor market	437	282	852	1,009
Total	1,330	1,477	4,416	4,498



NCC Property Development



Ullevigatan, Gothenburg

Operating profit per business area

SEK M	Oct-Dec 2011	Oct-Dec 2010	Jan-Dec 2011	Jan-Dec 2010
NCC Construction Sweden	345	423	777	924
NCC Construction Denmark	55	44	169	124
NCC Construction Finland	17	41	14	132
NCC Construction Norway	23	33	6	147
NCC Roads	99	123	414	356
NCC Housing	552	83	606	327
NCC Property Development	69	111	28	116
Other and eliminations	-18	-10	4	128
Operating profit	1,140	848	2,017	2,254

Balance sheet

SEK bn	Dec 31, 2011	Dec 31, 2010
Goodwill	1.6	1.6
Property projects	4.5	2.9
Housing projects	9.9	8.7
Accounts receivable and related receivables		
Other		
Total		

SEK bn	Dec 31, 2011	Dec 31, 2010
Development properties	2.3	1.8
Ongoing property projects	1.6	0.9
Completed property projects	0.5	0.2
Total property projects	4.5	2.9



Balance sheet

SEK bn	Dec 31, 2011	Dec 31, 2010
Goodwill	1.6	1.6
Property projects	4.5	2.9
Housing projects	9.9	8.7
Accounts receivable and receivables from property sales		
Other assets		
Total assets		

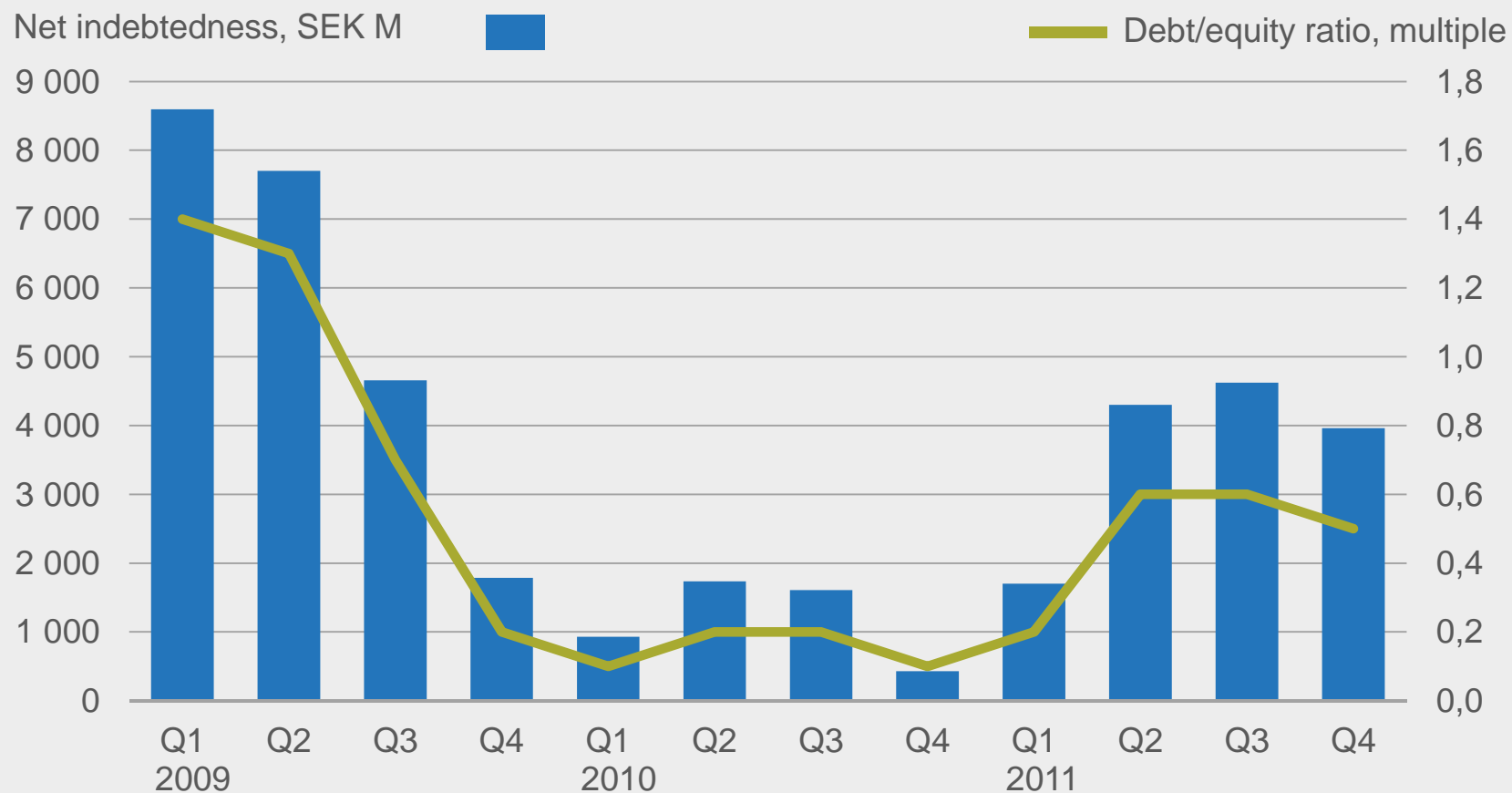
SEK bn	Sep 30, 2011	Dec 31, 2010
Development properties	4.8	5.0
Development costs	0.9	0.8
Completed housing units	0.4	0.2
Ongoing housing projects	3.8	2.7
Total housing projects	9.9	8.7



Positive cash flow

SEK M	Oct-Dec 2011	Oct-Dec 2010	Jan-Dec 2011	Jan-Dec 2010
From operating activities	1,347	1,018	1,452	3,009
From property projects	-825	-180	-1,472	-692
From housing projects	687	26	-1,261	587
Other working capital	-256	458	-266	-481
Investments	-246	-115	-857	-489
Cash flow before financing	706	1,207	-2,404	1,934

Net indebtedness at a balanced level



Long-term financing secured

- Refinancing of syndicated five-year credit facility of EUR 325 M (EUR 275 M) agreed on Feb 1, 2012
- During Q4, the maturity term for interest-bearing liabilities was extended through issuances via NCC's MTN program:
 - Refinancing of EUR 60 M with average maturity of four years
 - New borrowing of EUR 40 M over five years



Summary of 2011

Summary

- Strong finish to 2011
- High order backlog
- Contradictory signals from the market
- Healthy financial position

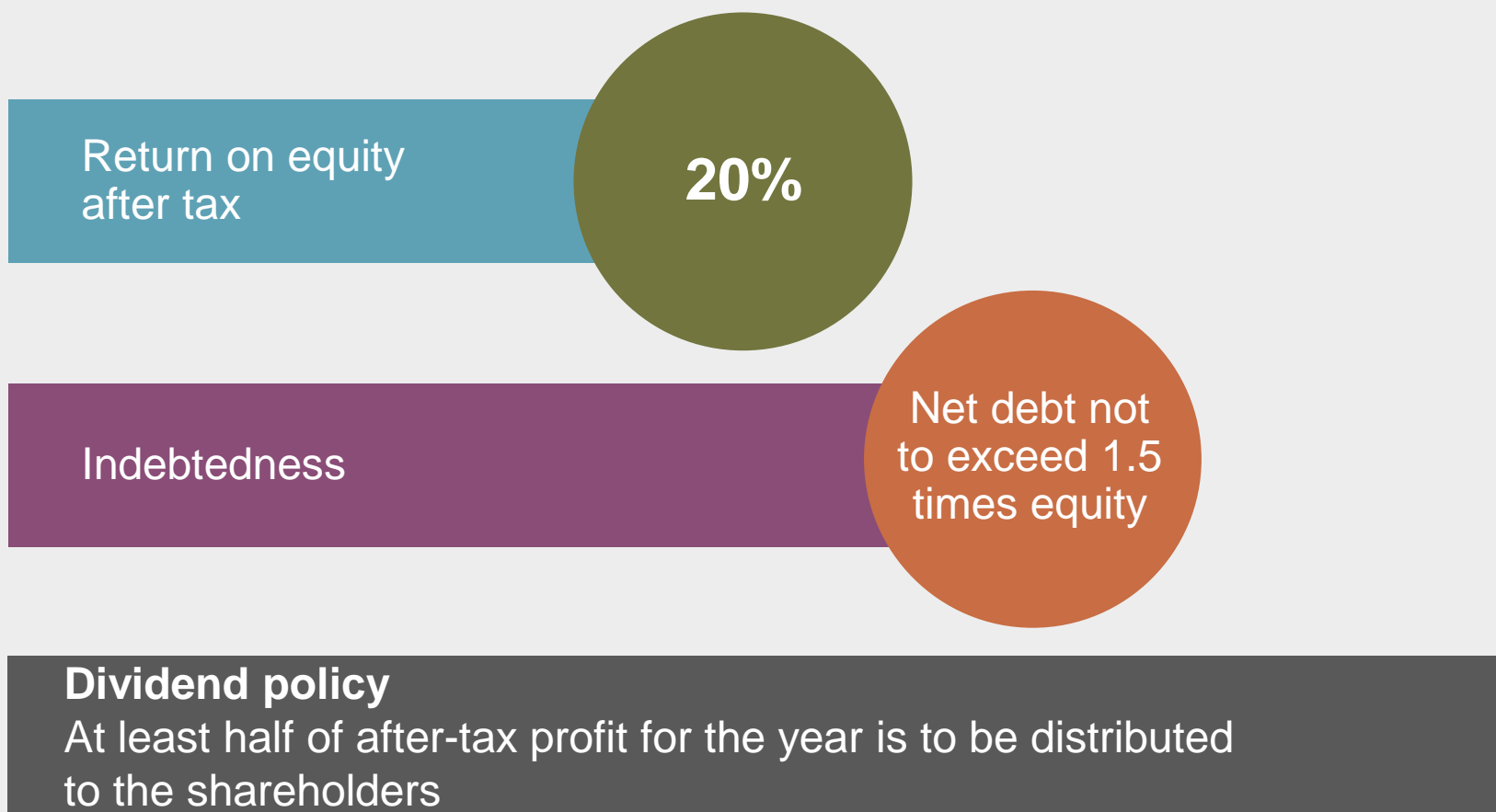


Strategy for *profitable growth 2012-2015*

A stronger NCC in 2015



Financial objectives and dividend policy



One NCC – three businesses



Strategy 2012-2015

Profitable growth

Customer focus

Market leader

Costs

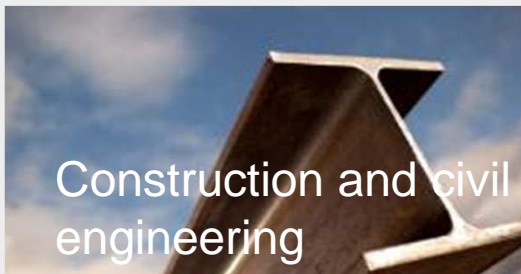
One NCC

Housing units

Sustainability



≥ Double GDP growth



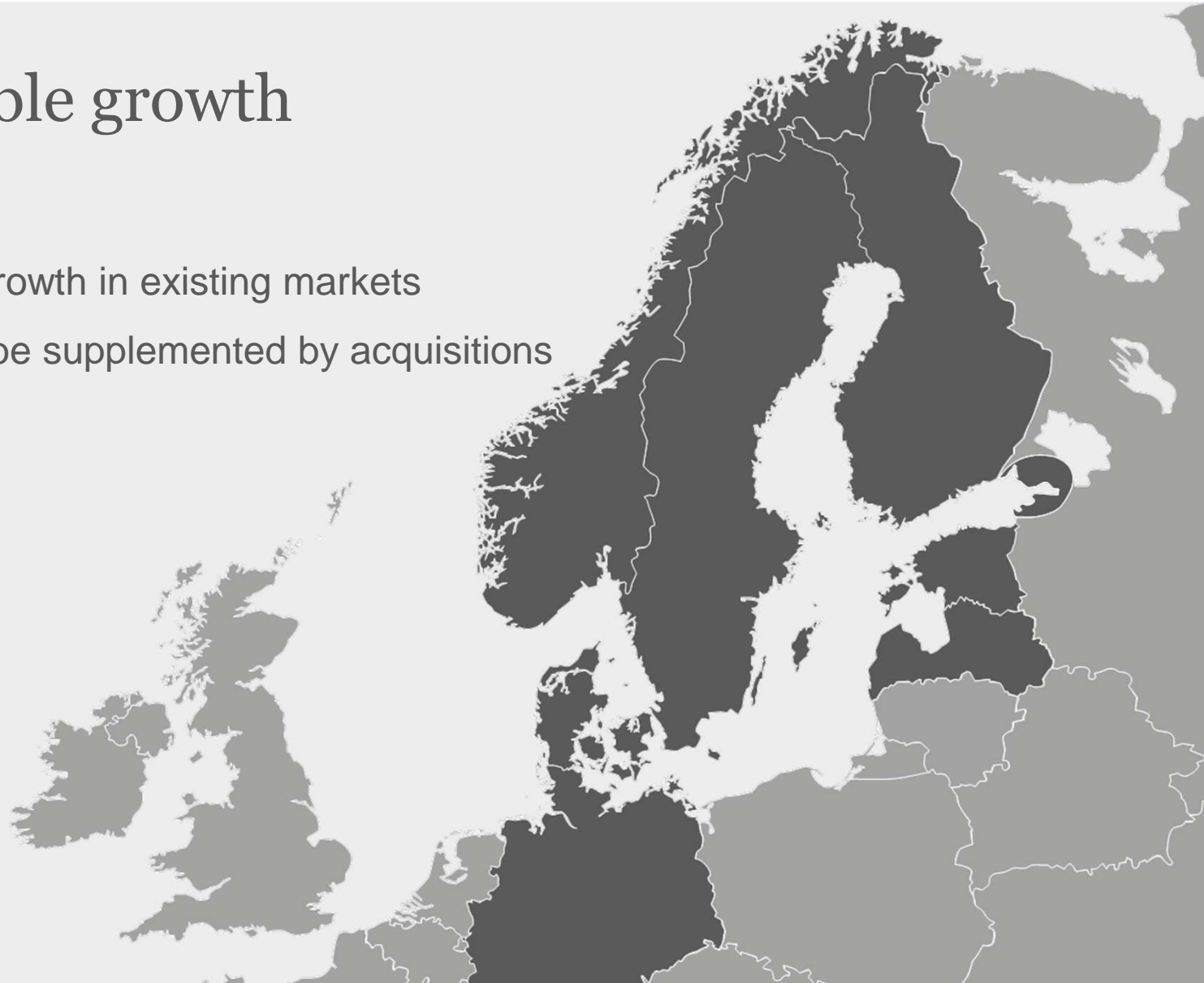
≥ Double GDP growth



≥ 7,000 housing units

Profitable growth

- Organic growth in existing markets
- Can also be supplemented by acquisitions



Strategic key issues

Customer focus

- The customer's first choice
 - One company – one voice
 - Understand the customer's business
 - Openness and clarity
 - Deliver the right product with the right quality at the right time



Strategic key issues

Marker leader

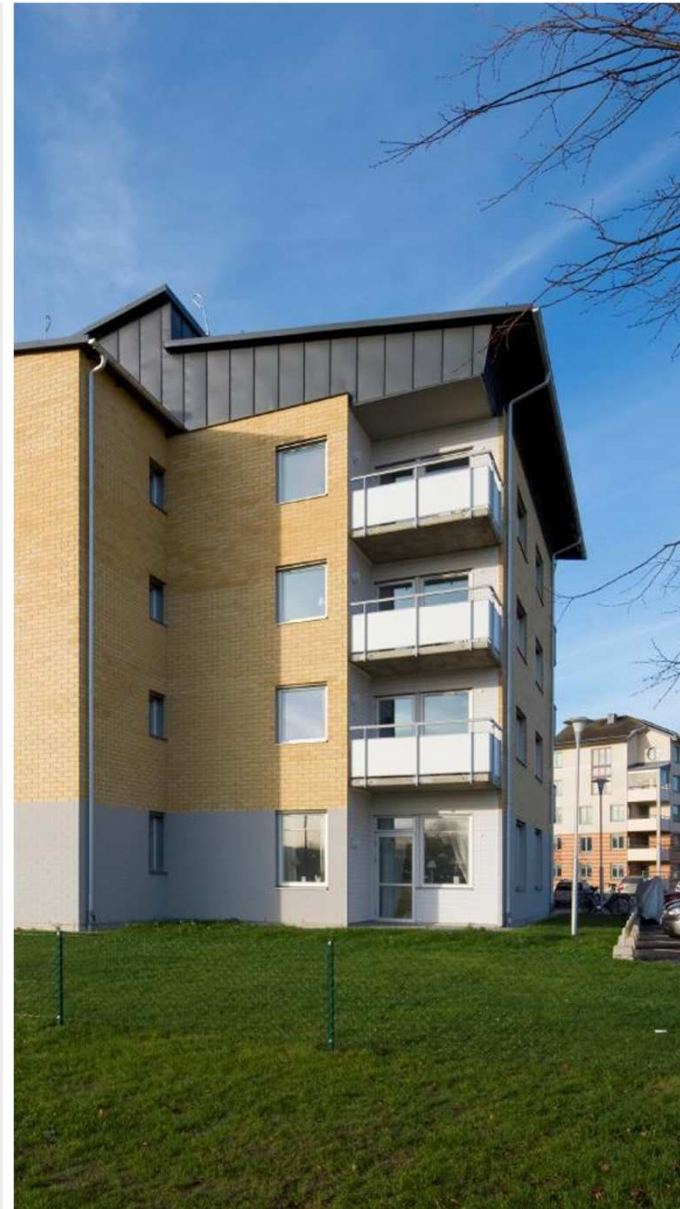
- Strong position generates opportunities
- Scale generates benefits
- Among the three largest players in the markets in which we are active
- In terms of both profitability and volume



Strategic key issues

Costs

- Mature and price-centered markets
- Organic growth requires lower construction costs
- Cost-effectiveness



Strategic key issues
One NCC

- NCC must capitalize on Group synergies
 - operationally and financially
 - IT
 - Competencies
 - Financing
 - Cash flow
 - Purchasing
 - Etc.



Strategic key issues

Housing

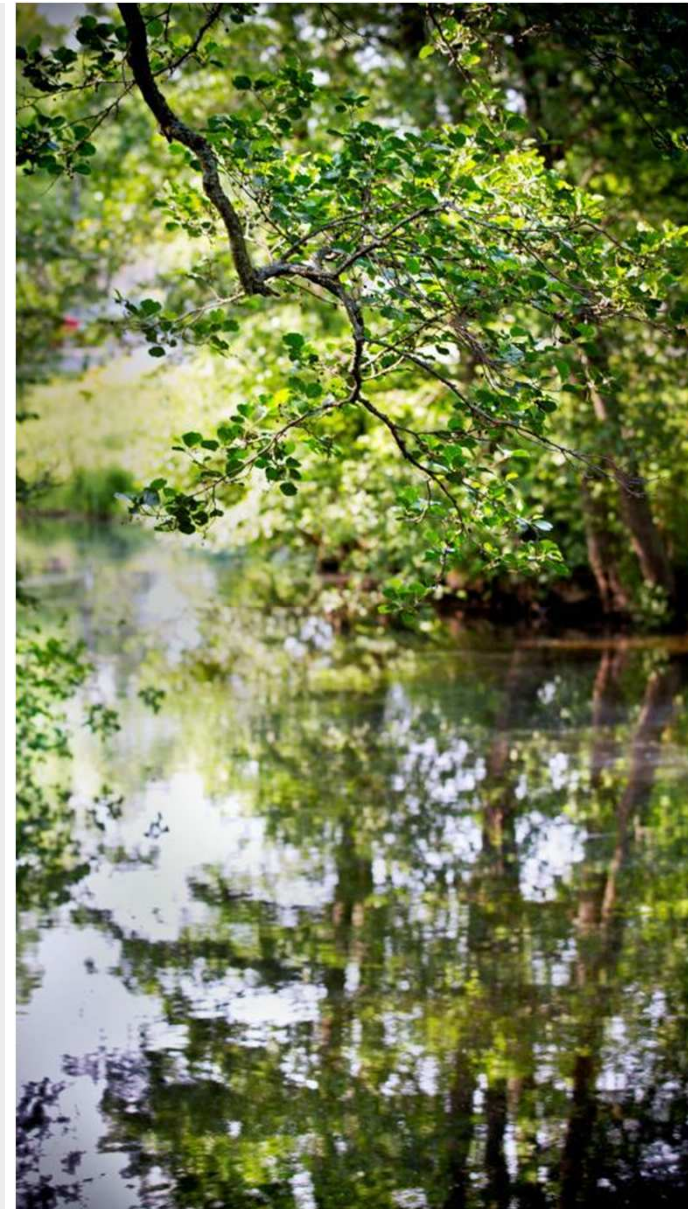
- Group-wide concern
 - Developed internal cooperation
- More efficient processes
- Broadened product mix
- Industrialization and specialization



Strategic key issues

Sustainability

- Proactive development of new businesses from a sustainability perspective
- Prioritized areas
 - Climate and energy
 - Chemicals and sustainable choice of materials
 - Environmental system for classification of buildings and civil engineering structures
 - Waste and recycling



Aims and activities

Industrial business

Sales increase \geq double GDP growth

- Focus on road service and recycling
- Stronger position in aggregates segment in Denmark and Finland
- Expand in Norway



Construction and civil engineering business

Sales increase \geq double GDP growth

- Focus on strategic areas
 - VDC (Virtual Design and Construction)
 - Business enterprise systems
 - Risk management
 - Purchasing
- Establish civil engineering business in Finland
- Expand in Norway



Development business

Housing

≥ 7,000 housing units under production

- Underlying demand in our markets
- Strong portfolio of development rights



Development business

Commercial property development

Commercial property development on the same level

- Maintain and develop project portfolio
- Consolidate position in the market

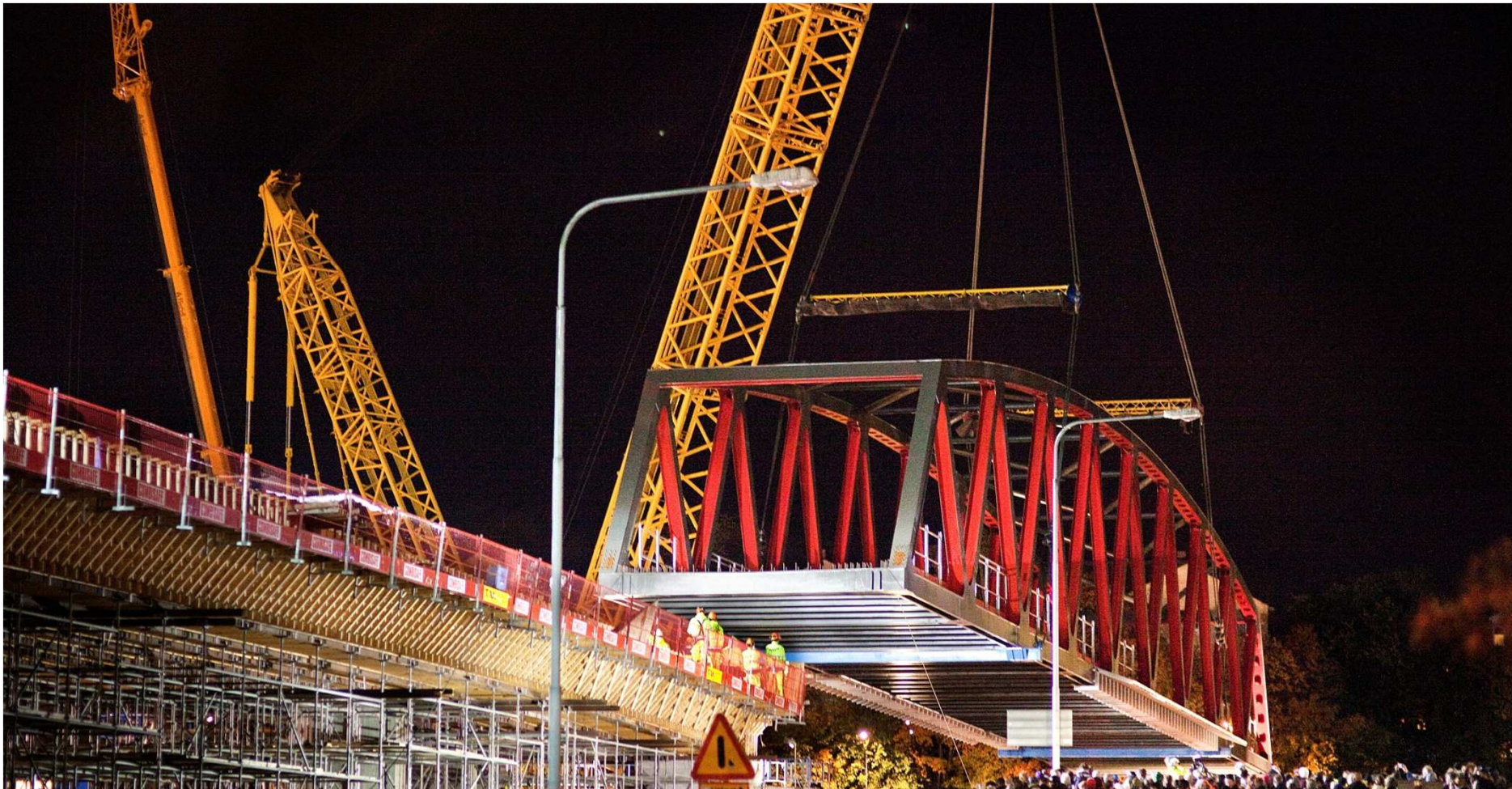


Summary of the strategy

- Financial objectives and dividend policy stand firm
- Profitable organic growth in existing markets
- Can also be supplemented with acquisitions
- Growth target for the strategy period
- Three prioritized growth areas
 - Norway
 - Finland
 - Housing development business



... a stronger NCC in 2015





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