

# Year-end report

## January 1 – December 31, 2012

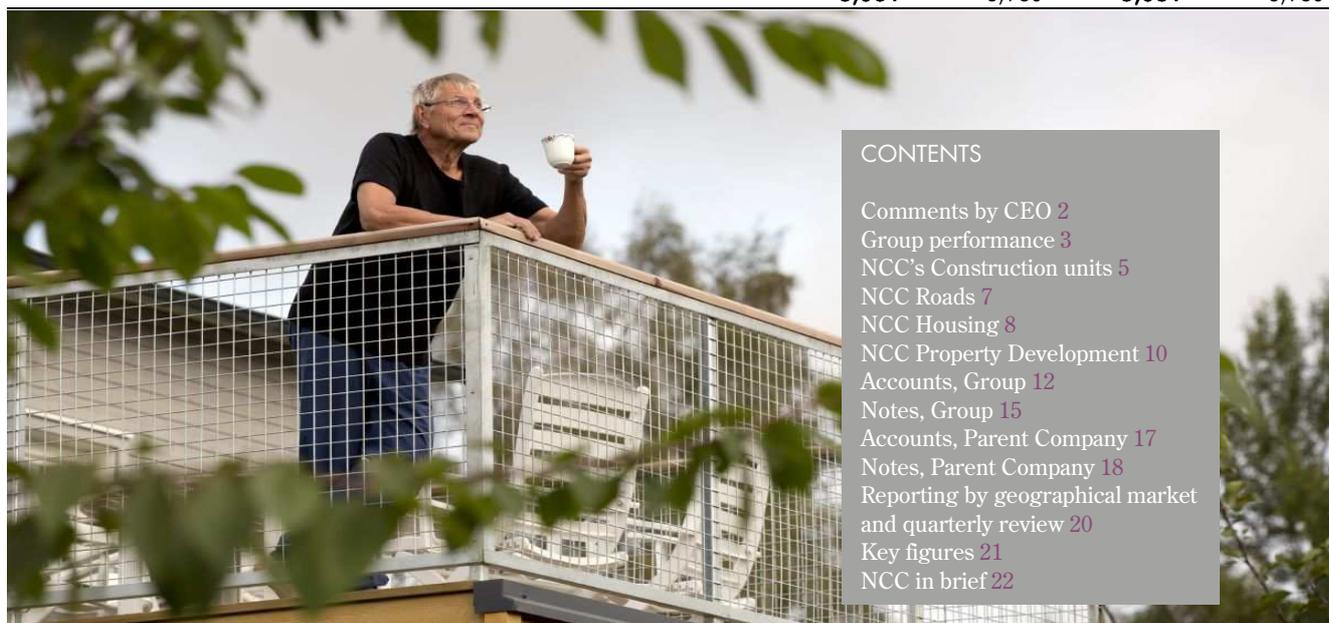
### October 1 – December 31, 2012

- Orders received: SEK 15,423 M (14,932)
- Net sales: SEK 19,069 M (18,119)
- Profit after financial items: SEK 1,252 M (1,080)
- Profit after tax for the period: SEK 1,126 M (769)
- Earnings per share: SEK 10.40 (7.09)

### January 1 – December 31, 2012

- Orders received: SEK 55,759 M (57,867)
- Net sales: SEK 57,227 M (52,535)
- Profit after financial items: SEK 2,263M (1,808)
- Profit after tax for the period: SEK 1,899 M (1,312)
- Earnings per share: SEK 17.51 (12.08)
- The Board of Directors proposes a dividend for 2012 of SEK 10.00 (10.00) per share

SEK M	2012	2011	2012	2011
	Oct.-Dec.	Oct.-Dec.	Jan.-Dec.	Jan.-Dec.
Orders received	<b>15,423</b>	14,932	<b>55,759</b>	57,867
Net sales	<b>19,069</b>	18,119	<b>57,227</b>	52,535
Operating profit/loss	<b>1,334</b>	1,140	<b>2,537</b>	2,017
Profit/loss after financial items	<b>1,252</b>	1,080	<b>2,263</b>	1,808
Net profit/loss for the period	<b>1,126</b>	769	<b>1,899</b>	1,312
Profit/loss per share after dilution, SEK	<b>10.40</b>	7.09	<b>17.51</b>	12.08
Cashflow before financing	<b>2,980</b>	706	<b>-932</b>	-2,404
Return on shareholders' equity after tax, %			<b>23</b>	17
Debt/equity ratio, times	<b>0.7</b>	0.5	<b>0.7</b>	0.5
Net indebtedness	<b>6,061</b>	3,960	<b>6,061</b>	3,960



#### CONTENTS

- Comments by CEO [2](#)
- Group performance [3](#)
- NCC's Construction units [5](#)
- NCC Roads [7](#)
- NCC Housing [8](#)
- NCC Property Development [10](#)
- Accounts, Group [12](#)
- Notes, Group [15](#)
- Accounts, Parent Company [17](#)
- Notes, Parent Company [18](#)
- Reporting by geographical market and quarterly review [20](#)
- Key figures [21](#)
- NCC in brief [22](#)

## Comments from CEO Peter Wågström

### A STRONG END GAVE AN EXCELLENT YEAR!

I am extremely satisfied that our fourth-quarter earnings surpassed the earnings of the year-earlier period. The fourth quarter of 2011 was one of the best quarters ever for NCC. All our business areas delivered earnings that matched or exceeded the year-earlier period. Profit after financial items was SEK 1,252 M (1,080).

Profit after tax for the year amounted to SEK 1,899 M (1,312). The return on equity for 2012 was 23 (17) percent, which exceeded our financial targets of 20 percent.

### WEAK GROWTH IN 2013

My opinion of the markets remained unchanged during the fourth quarter and I believe that the Nordic construction market will start weakly in 2013, but that construction investments for the entire year will be in line with 2012 or somewhat higher. The Norwegian construction market is expected to show the strongest growth, while the growth will probably be weaker in other markets.

### DEVELOPMENT BUSINESS GROWING

We have increased our earnings from the development business – for both housing units and commercial properties. These activities accounted for 45 (31) percent of NCC's operating profit for 2012.

The objective of our strategy up to 2015 is to increase the number of housing units under construction to at least 7,000. The market conditions in 2012 did not allow for an increase in the number of housing starts for private customers, but were successful in starting up housing units for investors. As a whole, the number of housing units under construction increased by slightly more than 400 and amounted to approximately 5,800 at year-end.

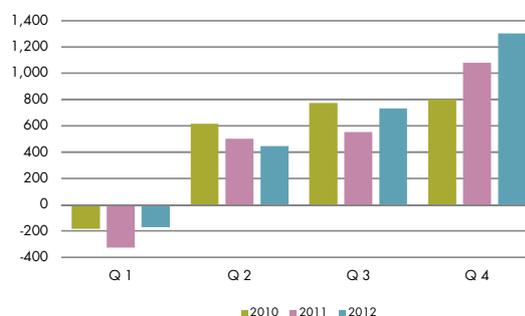
For our commercial property-development operations, we have a balanced project portfolio with a high leasing rate. Our property divestments have been successful and we have been launching projects in pace with the ones we sell.

### HIGHER NET SALES AND PROFIT IN CONSTRUCTION OPERATIONS

Our construction operations had a healthy order backlog at the start of 2012 and the level of orders received has also been favorable, primarily during the latter six months of the year, which generated an 8-percent increase in sales. The order backlog for construction operations at year-end was somewhat lower year-on-year, which, together with the market prospects, will limit growth opportunities in 2013.

For Construction operations, operating profit and operating margin improved in 2012, but more remains to be done to raise profitability. We are on the right track in Norway and Finland, and we implemented a number of measures in Sweden during the latter half of 2012.

### PROFIT AFTER FINANCIAL ITEMS, SEK M



### A REASONABLE YEAR FOR INDUSTRIAL OPERATIONS

The performance of NCC Roads matched the preceding year, for both the quarter and the full-year. In 2013, demand for asphalt is expected to be in line with 2012 levels, while demand for aggregates is expected to decline slightly. In 2012, we worked on a number of strategic investments to enhance efficiency and raise the level of profitability in our business.

### NCC IS WELL EQUIPPED

In 2012, we took several steps toward strengthening the strategy for achieving profitable growth. I am confident about 2013, despite the general market outlook not being the best. We have a strong market position, a well-filled order book and a healthy balance in the operations. I am convinced that in 2013 we will be able to take another step towards achieving our strategy.

Peter Wågström, President and CEO

Solna, January 30, 2013



## Group performance

### MOST RECENT QUARTER, OCTOBER – DECEMBER 2012

#### ORDERS RECEIVED AND ORDER BACKLOG

Orders received totaled SEK 15,423 M (14,932). NCC Construction Sweden had a high level of orders received with several major projects. Orders received were favorable for NCC Construction Denmark thanks to an increase in housing projects. Orders received for NCC Construction Finland were somewhat higher due to additional residential and civil engineering projects. Production starts of several housing units enabled an increase in orders received for NCC Housing. Changes in exchange rates reduced the value of orders received by SEK 260 M year-on-year. The Group's order backlog declined SEK 2,715 M to SEK 45,833 M, compared with the third quarter. Exchange-rate effects increased the order backlog by SEK 518 M during the fourth quarter.

#### NET SALES

Net sales totaled SEK 19,069 M (18,119). The increase was primarily attributable to higher sales in NCC Housing and NCC Property Development, for which additional housing units and commercial properties were recognized in profit during the quarter. Sales in NCC Construction Norway and Finland increased somewhat while sales in NCC Construction Sweden, Denmark and in NCC Roads declined. Changes in exchange rates reduced sales by SEK 288 M compared with the year-earlier period.

#### EARNINGS

NCC's operating profit amounted to SEK 1,334 M (1,140). The earnings improvement resulted primarily from NCC Property Development profit-recognizing additional project sales. Earnings were higher for the Construction units in Finland and Norway as a result of higher sales with improved margins, while the earnings in Sweden and Denmark were nearly in line with the year-earlier period. Earnings in NCC Roads were higher, despite lower volumes. In the year-earlier period, NCC Roads' earnings were charged with an impairment loss of SEK 32 M on goodwill in the Finnish operations. The handover of more housing units that were recognized in profit resulted in higher earnings for NCC Housing. Net financial items declined to an expense of SEK 82 M (expense: 61) due to higher net indebtedness.

Profit after tax for the year amounted to SEK 1,126 M (769). Swedish corporate tax rates were reduced from 26.3 percent to 22 percent as of January 1, 2013. This resulted in a reduction in deferred tax liabilities, leading to a positive taxation effect of SEK 120 M.

#### CASH FLOW

Cash flow from operating activities was higher year-on-year, primarily as a result of more property development projects and housing units being recognized in profit, as

well as a reduction in tied-up capital. Cash flow improved, mainly due to a reduction in accounts receivable and an increase in interest-free financing.

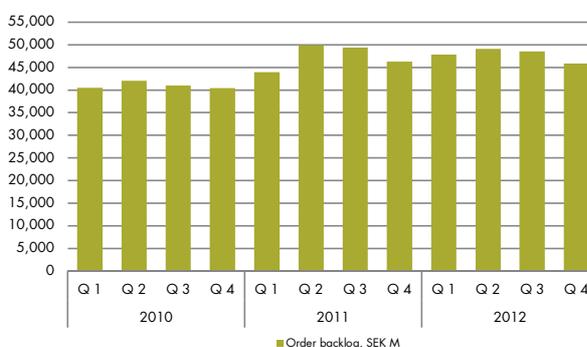
#### GROUP PERFORMANCE



#### SEASONAL EFFECTS

NCC Roads' operations and certain operations in NCC's Construction units are impacted by seasonal variations due to cold weather. The first quarter is normally weaker than the rest of the year.

#### ORDER BACKLOG



#### NET INDEBTEDNESS

Net indebtedness (interest-bearing liabilities less cash and cash equivalents less interest-bearing receivables) at December 31 amounted to SEK 6,061 M (3,960) (refer also to Note 5, *Specification of net indebtedness*). At September 30, 2012, net indebtedness was SEK 9,024 M. Payments for housing units and properties sold reduced net indebtedness in the fourth quarter. The capital maturity period for interest-bearing liabilities, excluding loans in Finnish housing companies and Swedish tenant-owner associations, was 40 (47) months at the end of the quarter. NCC's unutilized committed lines of credit on December 31 totaled SEK 3.8 billion (3.5) with an average remaining maturity period of 43 (17) months.

## FULL-YEAR PERIOD, JANUARY–DECEMBER 2012

## ORDERS RECEIVED AND ORDER BACKLOG

Orders received amounted to SEK 55,759 M (57,867). The change was mainly due to a decline in orders received for Construction units in Sweden, Denmark and Finland. Changes in exchange rates reduced orders received by SEK 543 M compared with the year-earlier period. The order backlog declined SEK 481 M year-on-year to SEK 45,833 M. Changes in exchange rates reduced the order backlog by SEK 443 M, compared with the year-earlier period.

## NET SALES

All business areas reported increased sales and consolidated sales totaled SEK 57,227 M (52,535). Changes in exchange rates reduced sales by SEK 585 M compared with the year-earlier period.

## EARNINGS

NCC's operating profit amounted to SEK 2,537 M (2,017). The increase in profit was mainly attributable to higher earnings for all business areas, except NCC Roads, for which earnings were on par with the year-earlier period. NCC Property Development posted the greatest increase in profit, but NCC Housing also noted a significant

improvement in earnings. Earnings in the year-earlier period were adversely impacted by a number of impairment losses on projects in Finland and Norway. Net financial items degraded to an expense of SEK 274 M (expense: 208) due to higher average net indebtedness.

## CASH FLOW

Cash flow from operating activities was higher than in the year-earlier period, mainly due to improved earnings and a reduction in other tied-up capital. Capital tied up in housing and property projects increased during the year. Other factors underlying the improvement in cash flow were mainly a reduction in accounts receivable and an increase in interest-free financing. In the year-earlier period, a substantial supplementary tax payment was made by the Parent Company.

## NET INDEBTEDNESS

Net indebtedness (interest-bearing liabilities less cash and cash equivalents less interest-bearing receivables) at December 31 amounted to SEK 6,061 M (3,960) (refer also to Note 5, *Specification of net indebtedness*). The increase in investments in property and housing projects was mainly financed by long-term loans.

## NET INDEBTEDNESS

SEK M	2012		2011	
	Oct.-Dec.	Oct.-Dec.	Jan.-Dec.	Jan.-Dec.
<b>Net indebtedness, opening balance</b>	<b>-9,024</b>	<b>-4,621</b>	<b>-3,960</b>	<b>-431</b>
Cash flow before financing	2,980	706	-932	-2,404
Sale of treasury shares			-56	3
Dividend			-1,084	-1,084
Other changes in net indebtedness	-18	-46	-29	-45
<b>Net indebtedness, closing balance</b>	<b>-6,061</b>	<b>-3,960</b>	<b>-6,061</b>	<b>-3,960</b>

## ORDERS RECEIVED AND ORDER BACKLOG

SEK M	Orders received				Backlog	
	2012		2011		2012	2011
	Oct.-Dec.	Oct.-Dec.	Jan.-Dec.	Jan.-Dec.	Dec. 31	Dec. 31
NCC Construction Sweden	6,767	5,650	21,483	25,274	17,378	20,860
NCC Construction Denmark	1,458	1,270	3,288	3,689	2,924	3,154
NCC Construction Finland	1,919	1,844	6,576	7,768	5,667	5,998
NCC Construction Norway	1,053	1,415	8,086	5,000	7,265	3,931
NCC Roads	2,836	3,429	11,807	11,830	4,250	4,705
NCC Housing	3,455	2,756	9,380	9,485	11,932	11,217
<b>Total</b>	<b>17,489</b>	<b>16,364</b>	<b>60,618</b>	<b>63,047</b>	<b>49,415</b>	<b>49,865</b>
<i>of which</i>						
<i>proprietary housing projects to private customers</i>	2,516	2,173	7,289	8,306	10,434	10,550
<i>proprietary property development projects</i>	116	879	1,644	2,803	2,520	2,901
<i>Other items and eliminations</i>	-2,066	-1,432	-4,859	-5,180	-3,582	-3,551
<b>Group</b>	<b>15,423</b>	<b>14,932</b>	<b>55,759</b>	<b>57,867</b>	<b>45,833</b>	<b>46,314</b>

## NET SALES AND OPERATING RESULTS

SEK M	Net sales				Operating profit			
	2012		2011		2012	2011	2012	2011
	Oct.-Dec.	Oct.-Dec.	Jan.-Dec.	Jan.-Dec.	Oct.-Dec.	Oct.-Dec.	Jan.-Dec.	Jan.-Dec.
NCC Construction Sweden	7,399	7,857	25,043	23,574	325	345	801	777
NCC Construction Denmark	974	1,089	3,396	3,358	48	55	189	169
NCC Construction Finland	2,005	1,927	6,709	6,331	53	17	101	14
NCC Construction Norway	2,133	1,550	6,070	4,887	43	23	81	6
NCC Roads	3,354	3,549	12,211	11,766	119	99	413	414
NCC Housing	4,432	3,791	8,612	7,542	573	552	835	606
NCC Property Development	1,093	457	2,847	1,366	214	69	295	28
<b>Total</b>	<b>21,391</b>	<b>20,221</b>	<b>64,889</b>	<b>58,824</b>	<b>1,374</b>	<b>1,159</b>	<b>2,714</b>	<b>2,012</b>
<i>Other items and eliminations</i>	-2,321	-2,101	-7,662	-6,290	-39	-18	-177	4
<b>Group</b>	<b>19,069</b>	<b>18,119</b>	<b>57,227</b>	<b>52,535</b>	<b>1,334</b>	<b>1,140</b>	<b>2,537</b>	<b>2,017</b>

## NCC's Construction units

### MARKET PERFORMANCE

Demand for housing and other construction contracts recovered somewhat during the fourth quarter. NCC expects that 2013 will start weakly and that construction investments for the full-year will be in line with 2012 or be slightly higher. The strongest performance is expected to be in the Norwegian market, while the demand in NCC's other markets will be weaker, particularly in Finland.

### MOST RECENT QUARTER, OCTOBER – DECEMBER 2012

#### ORDERS RECEIVED AND ORDER BACKLOG

Combined orders received for Construction units totaled SEK 11,197 M (10,179). Orders received by NCC Construction Sweden were high, due to an increase in housing projects and the booking of an office project in Stockholm with an order value of approximately SEK 1 billion. NCC Construction Denmark secured additional housing projects, which resulted in a higher level of orders received. A somewhat higher number of orders were received for NCC Construction Finland thanks to additional residential and civil engineering projects. The combined order backlog was SEK 33,234 M.

#### NET SALES

Net sales increased for Construction units in Finland and Norway, while they were somewhat lower in Sweden and Denmark. In total, sales for NCC's Construction units amounted to SEK 12,511 M (12,423).

#### OPERATING RESULTS

The Construction units in Finland and Norway reported improved earnings, as a result of higher volumes and

stronger margins. Earnings for the Construction units in Sweden and Denmark matched the year-earlier level.

Overall operating profit amounted to SEK 469 M (440).

### FULL-YEAR PERIOD, JANUARY–DECEMBER 2012

#### ORDERS RECEIVED AND ORDER BACKLOG

The combined orders received for NCC's Construction units totaled SEK 39,433 M (41,731) – a decline in comparison with NCC's historically high level of orders received in 2011. Orders received declined in Sweden, Denmark and Finland. This was partly offset by strong orders in Norway. The order backlog for NCC's Construction units declined by SEK 709 M during the period to SEK 33,234 M. Changes in exchange rates reduced the order backlog by SEK 233 M. The order backlog in Norway increased by SEK 1.2 billion through the acquisition of OKK Entreprenør AS.

#### NET SALES

A year-on-year increase in net sales was reported in all units due to the high production resulting from the high opening order backlog, and the healthy level of orders received during the year. The combined sales of NCC's Construction units totaled SEK 41,218 M (38,150).

#### OPERATING RESULTS

Net sales rose in all Construction units. Overall operating profit amounted to SEK 1,172 M (966). The increase was attributable to higher sales and improved margins in Denmark, Norway and Finland.

SEK M	2012	2011	2012	2011
	Oct.-Dec.	Oct.-Dec.	Jan.-Dec.	Jan.-Dec.
<b>NCC Construction Sweden</b>				
Orders received	<b>6,767</b>	5,650	<b>21,483</b>	25,274
Order backlog	<b>17,378</b>	20,860	<b>17,378</b>	20,860
Net sales	<b>7,399</b>	7,857	<b>25,043</b>	23,574
Operating profit/loss	<b>325</b>	345	<b>801</b>	777
Operating margin, %	<b>4.4</b>	4.4	<b>3.2</b>	3.3
<b>NCC Construction Denmark</b>				
Orders received	<b>1,458</b>	1,270	<b>3,288</b>	3,689
Order backlog	<b>2,924</b>	3,154	<b>2,924</b>	3,154
Net sales	<b>974</b>	1,089	<b>3,396</b>	3,358
Operating profit/loss	<b>48</b>	55	<b>189</b>	169
Operating margin, %	<b>4.9</b>	5.1	<b>5.6</b>	5.0
<b>NCC Construction Finland</b>				
Orders received	<b>1,919</b>	1,844	<b>6,576</b>	7,768
Order backlog	<b>5,667</b>	5,998	<b>5,667</b>	5,998
Net sales	<b>2,005</b>	1,927	<b>6,709</b>	6,331
Operating profit/loss	<b>53</b>	17	<b>101</b>	14
Operating margin, %	<b>2.6</b>	0.9	<b>1.5</b>	0.2
<b>NCC Construction Norway</b>				
Orders received	<b>1,053</b>	1,415	<b>8,086</b>	5,000
Order backlog	<b>7,265</b>	3,931	<b>7,265</b>	3,931
Net sales	<b>2,133</b>	1,550	<b>6,070</b>	4,887
Operating profit/loss	<b>43</b>	23	<b>81</b>	6
Operating margin, %	<b>2.0</b>	1.5	<b>1.3</b>	0.1

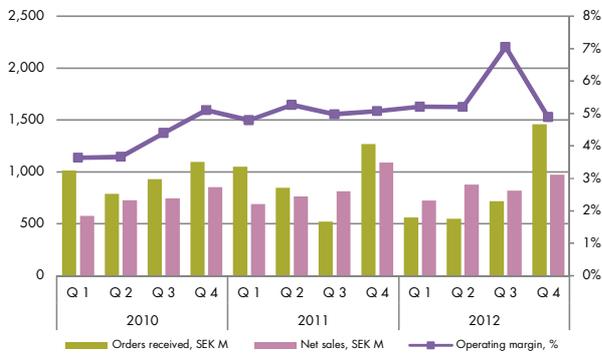
NCC CONSTRUCTION SWEDEN



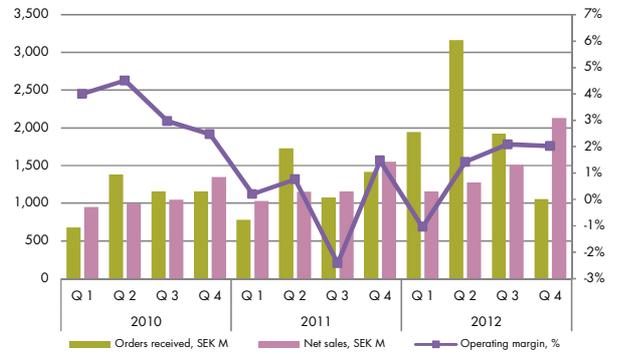
NCC CONSTRUCTION FINLAND



NCC CONSTRUCTION DENMARK



NCC CONSTRUCTION NORWAY



## NCC Roads

### MARKET PERFORMANCE

Demand for aggregates declined in the fourth quarter, mainly in Sweden and Denmark. The demand for asphalt also declined, primarily due to the early onset of winter. NCC foresees a stable trend in 2013 with demand for asphalt in line with 2012. Demand for aggregates is expected to decline slightly. Road-service operations are relatively insensitive to economic trends and opportunities for growth are relatively favorable since more public contracts have been exposed to competition.

### MOST RECENT QUARTER, OCTOBER – DECEMBER 2012

#### NET SALES

Sales decreased somewhat, due to lower volumes, to SEK 3,354 M (3,549). The sales volume for aggregates was slightly lower year-on-year. The volume for asphalt was lower year-on-year, due to the season ending sooner than in the year-earlier period. The volume of road services was slightly higher than in the year-earlier period.

#### OPERATING RESULTS

Operating profit amounted to SEK 119 M (99). This increase was mainly attributable to impairment losses of SEK 32 M from goodwill in the Finnish operations being included in the year-earlier figures. Weaker demand reduced the profit of aggregates operations and profit from asphalt operations was adversely impacted by an early end to the season. The profit for road services was slightly higher than in the year-earlier period.

#### CAPITAL EMPLOYED

Capital employed declined SEK 0.5 billion to SEK 3.1 billion in the fourth quarter due to the seasonal decline in activity.

### FULL-YEAR PERIOD, JANUARY–DECEMBER 2012

#### NET SALES

Sales increased to SEK 12,211 M (11,766) due to higher prices for oil-based input materials. The volume of aggregates and asphalt fell slightly in comparison with the year-earlier period. Additional assignments resulted in higher sales for Road services.



#### OPERATING RESULTS

Operating profit amounted to SEK 413 M (414). Profit matched the year-earlier level, although the year-earlier period was charged with a goodwill impairment loss of SEK 32 M. Profit was impacted by lower volumes in the aggregates and asphalt operations.

#### CAPITAL EMPLOYED

Capital employed fell slightly compared with the year-earlier period to SEK 3.1 billion.

#### QUARTERLY DATA



SEK M	2012 Oct.-Dec.	2011 Oct.-Dec.	2012 Jan.-Dec.	2011 Jan.-Dec.
<b>NCC Roads</b>				
Orders received	2,836	3,429	11,807	11,830
Order backlog	4,250	4,705	4,250	4,705
Net sales	3,354	3,549	12,211	11,766
Operating profit/loss	119	99	413	414
Operating margin, %	3.5	2.8	3.4	3.5
Capital employed			3,089	3,223

## NCC Housing

### MARKET PERFORMANCE

The demand in NCC's markets was unchanged in 2012 in comparison with the preceding year. The strongest demand and most favorable price trends are in Norway and St. Petersburg. In Sweden and Finland, purchasing decisions are made when construction is close to completion. Market conditions are weak in the Baltic countries and Denmark, although stable in Germany. NCC expects stable demand in 2013 with price levels remaining generally unchanged.

### MOST RECENT QUARTER, OCTOBER – DECEMBER 2012

#### HOUSING SALES AND HOUSING STARTS

A total of 917 (685) housing units were sold to private customers and 651 (392) to the investor market. Housing sales to private customers increased in all submarkets except Germany, where levels remained unchanged. Investor interest in housing units remained strong. During the quarter, construction started on a total of 1,468 (893) housing units for private customers and 536 (437) housing units for the investor market. In pace with completion and handover, new projects can be started, taking into account the sales rate in the portfolio and the local market.

#### NET SALES

Net sales were higher than in the year-earlier period mainly due to an increase in housing units being handed over and recognized in profit. During the quarter, 1,387 (1,287) housing units for private customers and 683 (403) housing units for the investor market were recognized in profit. The average price was higher, due to a larger share of housing units being recognized in profit in Norway, as well as higher average prices in Denmark and Sweden.

#### OPERATING RESULTS

Operating profit amounted to SEK 573 M (552). The increase was primarily attributable to more housing units being handed over to private customers.

#### CAPITAL EMPLOYED

Capital employed totaled SEK 10.0 billion, a decline of SEK 0.4 billion.

### FULL-YEAR PERIOD, JANUARY–DECEMBER 2012

#### HOUSING SALES AND CONSTRUCTION STARTS

Housing sales increased compared with the year-earlier period. A total of 2,937 (2,504) housing units were sold to private customers and 1,395 (724) units to the investor market. During the quarter, construction started on a total of 3,196 (3,564) housing units for private customers and 1,328 (852) housing units for the investor market.

The number of unsold, completed housing units increased during the period by 195 units to 393, including show houses and apartments. A relatively large number of housing units were completed close to the year-end and several remain unsold, primarily in Finland, Sweden and the Baltic countries. At year-end, the number of housing units under construction for private customers totaled 4,391 (4,233). The sales rate was 43 (42) percent and the completion rate was 47 (43) percent. Ever more buyers tend to make purchase decisions closer to their moving-in day.

#### NET SALES

During the year, 2,845 (2,764) housing units for private customers and 998 (735) housing units for the investor market were recognized in profit. Sales totaled SEK 8,612 M (7,542).

#### OPERATING RESULTS

Operating profit amounted to SEK 835 M (606). The increase in profit for the year was primarily attributable to higher profit-recognized income from housing units to private customers. The year-earlier period contained impairment losses for land in Denmark totaling SEK 103 M.

#### CAPITAL EMPLOYED

Due to increased investments in housing projects, capital employed rose to SEK 10.0 billion.

#### QUARTERLY DATA



SEK M	2012 Oct.-Dec.	2011 Oct.-Dec.	2012 Jan.-Dec.	2011 Jan.-Dec.
<b>NCC Housing</b>				
Orders received	<b>3,455</b>	2,756	<b>9,380</b>	9,485
Order backlog	<b>11,932</b>	11,217	<b>11,932</b>	11,217
Net sales	<b>4,432</b>	3,791	<b>8,612</b>	7,542
Operating profit/loss	<b>573</b>	552	<b>835</b>	606
Operating margin, %	<b>12.9</b>	14.6	<b>9.7</b>	8.0
Capital employed			<b>9,977</b>	8,339



## NCC Property Development

### MARKET PERFORMANCE

Market turbulence caused by the European debt crisis in 2012 resulted in cautiousness in the market, which led to longer decision-making processes. While investor demand for modern “green” properties with stable tenants in prime locations remained favorable, demand for other properties declined. The rental market was stable in terms of rents and vacancies. The market outlook for 2013 is difficult to predict and much depends on how the economic situation in Europe develops.

### MOST RECENT QUARTER, OCTOBER – DECEMBER 2012

#### PROPERTY PROJECTS

During the quarter, five project sales were recognized in profit: in Sweden, the Arendal II logistics project, the Tornby phase 1 retail project and the Koggen 2 office project, and in Finland, the Alberga B office project and the Lohja 4a retail center. In Denmark, a new office project was started: the CH Zenit 4.1.

Four projects were sold during the quarter, which will be recognized in profit at a later date: the CH Tangen office project in Denmark, the Ullevi Park II office project and the Triangeln office project/shopping mall in Sweden, as well as the Lielahiti Center retail project in Finland. For information on future profit recognition of projects, refer to the table on the following page.

At the end of the quarter, 23 projects were either ongoing or completed but yet to be recognized in profit. The costs incurred in all projects amounted to SEK 3.3 billion (2.3), corresponding to a completion rate of 55 (41) percent. The leasing rate was 68 (58) percent. Leases for 19,000 square meters of floor space (87,000) were signed during the quarter. Leasing during the fourth quarter of 2011 was at the highest level ever for NCC in an individual quarter.

#### NET SALES

Net sales were higher year-on-year and the five projects that were recognized in profit accounted for the largest portion of sales. Two projects were recognized in profit in the year-earlier period.

#### OPERATING PROFIT

Operating profit was higher than in the year-earlier period and amounted to SEK 214 M (69). A total of five (two) project sales were recognized in profit during the quarter.

Earnings from previous sales and sales of land also contributed to the results.

#### CAPITAL EMPLOYED

Capital employed decreased SEK 0.1 billion during the quarter to SEK 5.0 billion.

### FULL-YEAR PERIOD, JANUARY–DECEMBER 2012

#### PROPERTY PROJECTS

A total of nine (six) project sales were recognized: four in Sweden, three in Finland and two in Denmark.

Construction of nine projects was started, of which five in Finland, two in Norway and two in Denmark. Leases were signed for 76,000 square meters (147,000) during the quarter.

#### NET SALES

Net sales increased year-on-year to SEK 2,847 M (1,366). The largest portion of sales was from the projects recognized in profit in the first and fourth quarter.

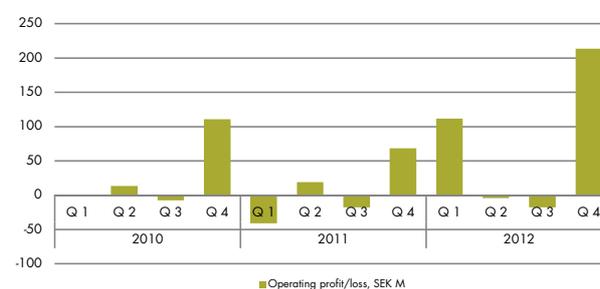
#### OPERATING RESULTS

Operating profit was higher than in the year-earlier period and amounted to SEK 295 M (28). Nine projects were recognized in profit during 2012. Earnings from previous sales and sales of land also contributed to the results. During the year, earnings were charged with impairment losses of SEK 41 SEK on projects and land in Denmark. The year-earlier period was charged with the results of impairment losses on land in Latvia amounting to SEK 38 M.

#### CAPITAL EMPLOYED

Capital employed rose SEK 1.3 billion to SEK 5.0 billion. The increase was mainly due to investments in ongoing property development projects.

#### QUARTERLY DATA



SEK M	2012 Oct.-Dec.	2011 Oct.-Dec.	2012 Jan.-Dec.	2011 Jan.-Dec.
<b>NCC Property Development</b>				
Net sales	<b>1,093</b>	457	<b>2,847</b>	1,366
Operating profit/loss	<b>214</b>	69	<b>295</b>	28
Capital employed			<b>4,989</b>	3,697

PROPERTY DEVELOPMENT PROJECTS AT DECEMBER 31, 2012 <sup>1)</sup>

Project	Type	City	Sold, estimated recognition in profit	Completion ratio, %	Leasable area, m <sup>2</sup>	Letting ratio, %
Birsta etapp 1	Retail	Sundsvall		91	4,900	100
Eslöv etapp 1	Retail	Eslöv		100	3,900	100
Torsplan	Retail/Office	Stockholm		40	30,800	77
Ullevi Park II	Office	Gothenburg	Q 2, 2013	74	14,600	100
Triangeln <sup>2)</sup>	Retail/Office	Malmö	Q 4, 2013	63	16,300	76
<b>Total Sweden</b>				<b>59</b>	<b>70,500</b>	<b>81</b>
CH Tangen	Office	Aarhus	Q 1, 2013	93	10,500	100
CH Zenit 4.1	Office	Aarhus		16	3,100	19
Herredscentret I	Retail	Hilleröd		98	1,300	100
Herredscentret II	Retail	Hilleröd		100	5,700	100
Kolding Retailpark II	Retail	Kolding		76	5,600	35
Lyngby	Retail	Lyngby		93	2,300	98
Portlandsilos	Office	Copenhagen	Q 2, 2014	36	12,800	50
Roskildevej	Retail	Taastrup		90	4,000	51
Viborg Retail II + III	Retail	Viborg		95	3,200	72
<b>Total Denmark</b>				<b>65</b>	<b>48,500</b>	<b>67</b>
Aitio 1 Vivaldi	Office	Helsinki		70	6,000	28
Alberga C	Office	Espoo		60	5,400	6
Lielhti Center	Retail	Tampere	Q 2, 2014	28	13,300	44
Plaza Loiste	Office	Vantaa		90	6,800	93
Plaza Halo	Office	Vantaa		36	5,900	60
Plaza Tuike	Office	Vantaa		62	5,300	41
Hämeenlinna Centrum	Retail	Hämeenlinna	Q 4, 2014	28	26,100	68
<b>Total Finland</b>				<b>44</b>	<b>68,800</b>	<b>55</b>
Stavanger Business Park 1	Office	Stavanger		70	9,200	23
Östensjøveien 27	Office	Oslo		51	14,700	78
<b>Total Norway</b>				<b>58</b>	<b>23,900</b>	<b>57</b>
<b>Total</b>				<b>55</b>	<b>211,700</b>	<b>68</b>

<sup>1)</sup> The table refers to ongoing or completed real estate projects not yet recognized in profit. In addition, NCC is leasing space (rental guarantees/additional purchase price) in three previously sold and profit recognized real estate projects, the largest of the projects consist of an office building in Frederiksberg, Denmark.

<sup>2)</sup> The project is in collaboration between the business areas NCC Property Development and NCC Housing with an allocation of 70 and 30 percent respectively. The leasable area refers to all commercial area in the project.

## Consolidated income statement

SEK M	Note 1	2012	2011	2012	2011
		Oct.-Dec.	Oct.-Dec.	Jan.-Dec.	Jan.-Dec.
Net sales		19,069	18,119	57,227	52,535
Production costs	Note 2,3	-16,861	-16,153	-51,724	-47,721
<b>Gross profit</b>		<b>2,208</b>	<b>1,965</b>	<b>5,503</b>	<b>4,814</b>
Selling and administrative expenses	Note 2	-879	-798	-2,978	-2,774
Result from sales of owner-occupied properties			5	3	7
Impairment losses, fixed assets	Note 3	-1	-35	-2	-38
Result from sales of Group companies		1		6	3
Result from participations in associated companies		3	2	5	5
<b>Operating profit/loss</b>		<b>1,334</b>	<b>1,140</b>	<b>2,537</b>	<b>2,017</b>
Financial income		43	19	139	76
Financial expense		-126	-80	-413	-284
<b>Net financial items</b>		<b>-82</b>	<b>-61</b>	<b>-274</b>	<b>-208</b>
<b>Profit/loss after financial items</b>		<b>1,252</b>	<b>1,080</b>	<b>2,263</b>	<b>1,808</b>
Tax on net profit/loss for the period *)		-127	-311	-364	-496
<b>Net profit/loss for the period</b>		<b>1,126</b>	<b>769</b>	<b>1,899</b>	<b>1,312</b>
<b>Attributable to:</b>					
NCC's shareholders		1,123	769	1,894	1,310
Non-controlling interests		3		5	2
<b>Net profit/loss for the period</b>		<b>1,126</b>	<b>769</b>	<b>1,899</b>	<b>1,312</b>
<b>Earnings per share</b>					
<i>Before dilution</i>					
Net profit/loss for the period, SEK		10.40	7.09	17.51	12.08
<i>After dilution</i>					
Net profit/loss for the period, SEK		10.40	7.09	17.51	12.08
<b>Number of shares, millions</b>					
Total number of issued shares		108.4	108.4	108.4	108.4
Average number of shares outstanding before dilution during the period		108.0	108.4	108.2	108.4
Average number of shares after dilution		108.0	108.4	108.2	108.4
Number of shares outstanding before dilution at the end of the period		108.0	108.4	108.0	108.4

\*) Swedish corporate tax rates were reduced from 26.3 percent to 22 percent as of January 1, 2013. This resulted in a reduction in deferred tax liabilities, leading to a positive taxation effect of SEK 120 M.

## Consolidated statement of comprehensive income

SEK M	Note 1	2012	2011	2012	2011
		Oct.-Dec.	Oct.-Dec.	Jan.-Dec.	Jan.-Dec.
<b>Net profit/loss for the period</b>		<b>1,126</b>	<b>769</b>	<b>1,899</b>	<b>1,312</b>
<b>Other comprehensive income</b>					
Exchange differences on translating foreign operations		64	-100	-78	-38
Change in hedging/fair value reserve		-27	48	37	10
Cash flow hedges			-21	-20	-34
Income tax relating to components of other comprehensive income		5	-7	-7	7
<b>Other comprehensive income for the year, net of tax</b>		<b>42</b>	<b>-80</b>	<b>-68</b>	<b>-55</b>
<b>Total comprehensive income</b>		<b>1,168</b>	<b>689</b>	<b>1,831</b>	<b>1,257</b>
<b>Attributable to:</b>					
NCC's shareholders		1,163	689	1,825	1,255
Non-controlling interests		3		5	2
<b>Total comprehensive income</b>		<b>1,166</b>	<b>689</b>	<b>1,831</b>	<b>1,257</b>

## Consolidated balance sheet

SEK M	Note 1	2012 Dec. 31	2011 Dec. 31
<b>ASSETS</b>			
<i>Fixed assets</i>			
Goodwill	Note 7	1,827	1,607
Other intangible assets		204	167
Owner-occupied properties		662	596
Machinery and equipment		2,395	2,209
Other long-term holdings of securities		167	181
Long-term receivables	Note 5	1,578	1,559
Deferred tax assets		281	191
<b>Total fixed assets</b>		<b>7,114</b>	<b>6,511</b>
<i>Current assets</i>			
Property projects	Note 4	5,321	4,475
Housing projects	Note 4	11,738	9,860
Materials and inventories		655	557
Tax receivables		54	23
Accounts receivable		7,725	7,265
Worked-up, non-invoiced revenues		782	910
Prepaid expenses and accrued income		1,544	1,114
Other receivables	Note 5	1,223	1,127
Short-term investments <sup>1)</sup>	Note 5	168	285
Cash and cash equivalents	Note 5	2,634	796
<b>Total current assets</b>		<b>31,844</b>	<b>26,414</b>
<b>TOTAL ASSETS</b>		<b>38,958</b>	<b>32,924</b>
<b>EQUITY</b>			
Share capital		867	867
Other capital contributions		1,844	1,844
Reserves		-206	-135
Profit brought forward, including current-year profit		6,468	5,710
<b>Shareholders' equity</b>		<b>8,974</b>	<b>8,286</b>
Non-controlling interests		15	11
<b>Total shareholders' equity</b>		<b>8,988</b>	<b>8,297</b>
<b>LIABILITIES</b>			
<i>Long-term liabilities</i>			
Long-term interest-bearing liabilities	Note 5	7,102	3,850
Other long-term liabilities		841	643
Deferred tax liabilities		725	669
Other provisions	Note 5	2,445	2,625
<b>Total long-term liabilities</b>		<b>11,113</b>	<b>7,788</b>
<i>Current liabilities</i>			
Current interest-bearing liabilities	Note 5	2,141	1,585
Accounts payable		4,659	4,131
Tax liabilities		122	60
Invoiced revenues not worked-up		4,241	4,176
Accrued expenses and prepaid income		3,748	3,274
Provisions			3
Other current liabilities		3,945	3,611
<b>Total current liabilities</b>		<b>18,855</b>	<b>16,839</b>
<b>Total liabilities</b>		<b>29,968</b>	<b>24,627</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>38,958</b>	<b>32,924</b>
<b>ASSETS PLEDGED</b>		<b>1,344</b>	1,522
<b>CONTINGENT LIABILITIES</b>		<b>1,446</b>	1,353

1) Includes short-term investments with maturities exceeding three months at the acquisition date, see also cash-flow statement.

## Changes in shareholders' equity, Group

SEK M	Dec. 31, 2012			Dec. 31, 2011		
	Shareholders' equity	Non-controlling interests	Total shareholders' equity	Shareholders' equity	Non-controlling interests	Total shareholders' equity
<b>Opening balance, January 1</b>	<b>8,286</b>	<b>11</b>	<b>8,297</b>	<b>8,111</b>	<b>21</b>	<b>8,132</b>
Transactions with non-controlling interests					-11	-11
Total comprehensive income for the period	1,825	5	1,831	1,255	2	1,257
Dividends	-1,084	-1	-1,085	-1,084	-1	-1,085
Acquisition/sale of treasury shares	-56		-56	3		3
Performance based incentive program	2		2			
<b>Closing balance</b>	<b>8,974</b>	<b>15</b>	<b>8,988</b>	<b>8,286</b>	<b>11</b>	<b>8,297</b>

## Consolidated cash-flow statement, condensed

SEK M	2012		2011	
	Oct.-Dec.	Oct.-Dec.	Jan.-Dec.	Jan.-Dec.
<b>OPERATING ACTIVITIES</b>				
Profit/loss after financial items	1,252	1,080	2,263	1,808
Adjustments for items not included in cash flow	292	299	563	425
Taxes paid	-68	-28	-367	-777
<b>Cash flow from operating activities before changes in working capital</b>	<b>1,476</b>	<b>1,351</b>	<b>2,458</b>	<b>1,456</b>
<b>Cash flow from changes in working capital</b>				
Divestment of property projects	725	179	1,764	861
Gross investments in property projects	-714	-1,004	-2,692	-2,333
Divestment of housing projects	3,601	3,065	6,951	6,264
Gross investments in housing projects	-2,675	-2,382	-8,997	-7,529
Other changes in working capital	836	-256	489	-266
<b>Cash flow from changes in working capital</b>	<b>1,772</b>	<b>-399</b>	<b>-2,484</b>	<b>-3,003</b>
<b>Cash flow from operating activities</b>	<b>3,247</b>	<b>952</b>	<b>-26</b>	<b>-1,547</b>
<b>INVESTING ACTIVITIES</b>				
Sale of building and land	8	-3	30	14
Increase (↓) from investing activities	-275	-243	-936	-871
<b>Cash flow from investing activities</b>	<b>-267</b>	<b>-246</b>	<b>-906</b>	<b>-857</b>
<b>CASH FLOW BEFORE FINANCING</b>	<b>2,980</b>	<b>706</b>	<b>-932</b>	<b>-2,404</b>
<b>FINANCING ACTIVITIES</b>				
<b>Cash flow from financing activities</b>	<b>-1,454</b>	<b>-948</b>	<b>2,774</b>	<b>491</b>
<b>CASH FLOW DURING THE PERIOD</b>	<b>1,527</b>	<b>-242</b>	<b>1,842</b>	<b>-1,913</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>1,103</b>	<b>1,047</b>	<b>796</b>	<b>2,713</b>
Effects of exchange rate changes on cash and cash equivalents	5	-6	-4	-4
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>2,634</b>	<b>796</b>	<b>2,634</b>	<b>797</b>
Short-term investments due later than three months	168	285	168	285
<b>Total liquid assets</b>	<b>2,802</b>	<b>1,081</b>	<b>2,802</b>	<b>1,081</b>

## Notes

### NOTE 1. ACCOUNTING POLICIES

This year-end report has been compiled pursuant to IAS 34, *Interim Financial Reporting*. It has been prepared in accordance with the International Financial Reporting Standards (IFRS) and the interpretations of prevailing accounting standards issued by the International Financial Reporting Interpretations Committee (IFRIC), as approved

by the EU. The year-end report has been prepared pursuant to the same accounting policies and methods of calculation as the 2011 Annual Report (Note 1, pages 60-67).

### NOTE 2. DEPRECIATION/AMORTIZATION

SEK M	2012		2011	
	Oct.-Dec.	Oct.-Dec.	Jan.-Dec.	Jan.-Dec.
Other intangible assets	-8	-5	-24	-17
Owner-occupied properties	-7	-10	-28	-29
Machinery and equipment	-157	-134	-579	-516
<b>Total depreciation/amortization</b>	<b>-171</b>	<b>-149</b>	<b>-631</b>	<b>-562</b>

### NOTE 3. IMPAIRMENT LOSSES

SEK M	2012		2011	
	Oct.-Dec.	Oct.-Dec.	Jan.-Dec.	Jan.-Dec.
Housing projects			-1	-103
Property projects			-41	-38
Owner-occupied properties	-1	-1	-1	-5
Machinery and equipment		-1	-1	-1
Financial fixed assets		-7		-7
Goodwill within NCC Roads		-32		-32
<b>Total impairment expenses</b>	<b>-1</b>	<b>-41</b>	<b>-44</b>	<b>-186</b>

### NOTE 4. SPECIFICATION OF PROPERTY PROJECTS AND HOUSING PROJECTS

SEK M	2012		2011	
	Dec. 31	Dec. 31	Dec. 31	Dec. 31
Properties held for future development		2,183		2,325
Ongoing property projects		2,675		1,622
Completed property projects		462		529
<b>Total property development projects</b>		<b>5,321</b>		<b>4,475</b>
Properties held for future development, housing		5,453		4,818
Capitalized developing costs		1,265		916
Ongoing proprietary housing projects		4,180		3,748
Unsold completed housing		840		377
<b>Total housing projects</b>		<b>11,738</b>		<b>9,860</b>

### NOTE 5. SPECIFICATION OF NET INDEBTEDNESS

SEK M	2012		2011	
	Dec. 31	Dec. 31	Dec. 31	Dec. 31
Long-term interest-bearing receivables		285		290
Current interest-bearing receivables		272		395
Short-term investments		1,236		94
Cash and bank balances		1,398		702
<b>Total interest-bearing receivables, cash and cash equivalents</b>		<b>3,191</b>		<b>1,481</b>
Long-term interest-bearing liabilities		7,112		3,857
Current interest-bearing liabilities		2,141		1,585
<b>Total interest-bearing liabilities</b>		<b>9,252</b>		<b>5,442</b>
<b>Net indebtedness</b>		<b>6,061</b>		<b>3,960</b>

whereof net debt in ongoing projects in Swedish tenant-owners' associations and Finnish housing companies

Interest-bearing liabilities	2,232	1,494
Cash and bank balances	51	37
<b>Net indebtedness</b>	<b>2,181</b>	<b>1,457</b>

## NOTE 6. SEGMENT REPORTING

SEK M	NCC Construction				NCC Roads	NCC Housing	NCC Property Development	Segment total	Other items and eliminations <sup>1)</sup>	Group
	Sweden	Denmark	Finland	Norway						
<b>January - December 2012</b>										
Net sales, external	22,080	2,849	4,029	5,510	11,360	8,609	2,783	57,220	6	57,227
Net sales, internal	2,963	547	2,680	560	851	2	63	7,668	-7,668	
Net sales, total	25,043	3,396	6,709	6,070	12,211	8,612	2,847	64,889	-7,662	57,227
Operating profit	801	189	101	81	413	835	295	2,714	-177	2,537
Net financial items										-274
Profit/loss after financial items										2,263
	NCC Construction									
	Sweden	Denmark	Finland	Norway	NCC Roads	NCC Housing	NCC Property Development	Segment total	Other items and eliminations <sup>2)</sup>	Group
<b>October - December 2012</b>										
Net sales, external	6,553	856	1,210	1,959	2,981	4,432	1,077	19,069		19,069
Net sales, internal	846	119	795	174	372		16	2,321	-2,321	
Net sales, total	7,399	974	2,005	2,133	3,354	4,432	1,093	21,390	-2,321	19,069
Operating profit	325	48	53	43	119	573	214	1,374	-39	1,334
Net financial items										-82
Profit/loss after financial items										1,251
	NCC Construction									
	Sweden	Denmark	Finland	Norway	NCC Roads	NCC Housing	NCC Property Development	Segment total	Other items and eliminations <sup>1)</sup>	Group
<b>January - December 2011</b>										
Net sales, external	21,651	2,678	3,683	4,633	10,980	7,539	1,363	52,526	9	52,535
Net sales, internal	1,922	681	2,648	255	786	3	3	6,298	-6,298	
Net sales, total	23,574	3,358	6,331	4,887	11,766	7,542	1,366	58,824	-6,289	52,535
Operating profit	777	169	14	6	414	606	28	2,012	4	2,017
Net financial items										-208
Profit/loss after financial items										1,808
	NCC Construction									
	Sweden	Denmark	Finland	Norway	NCC Roads	NCC Housing	NCC Property Development	Segment total	Other items and eliminations <sup>2)</sup>	Group
<b>October - December 2011</b>										
Net sales, external	7,092	915	1,109	1,463	3,294	3,790	456	18,119		18,119
Net sales, internal	764	174	818	87	255	1	2	2,101	-2,101	
Net sales, total	7,857	1,089	1,927	1,550	3,549	3,791	457	20,220	-2,101	18,119
Operating profit	345	55	17	23	99	552	69	1,159	-18	1,140
Net financial items										-61
Profit/loss after financial items										1,079

<sup>1)</sup> The figures for the year includes among others NCC's head office, results from small subsidiaries and associated companies and remaining parts of NCC International Projects, totalling an expense of SEK 66 M (expense: 51). Elimination of internal profits amount to an expense of SEK 16 M (expense: 39) and other Group adjustments, mainly consisting of differences of accounting policy between the segments and the group (among others pensions) amount to an expense of SEK 95 M (income: 94).

<sup>2)</sup> The quarter includes among others NCC's head office, result from small subsidiaries and associated companies and remaining parts of NCC International Projects, totalling an expense of SEK 32 M (income: 2). Furthermore elimination of internal profits are included, an income of SEK 41 M (income: 9) and other Group adjustments, mainly consisting of differences of accounting policy between the segments and the Group (among others pensions), an expense of SEK 48 M (expense: 29).

## NOTE 7. ACQUISITION OF OPERATIONS

Two companies, OKK Entreprenør A/S and Murerfirma Jan E. Engebretsen A/S, were acquired by NCC Construction Norway in August 2012. The cost was SEK 250 M and the net cash outflow was SEK 62 M. Goodwill amounted to SEK 191 M and was attributable to OKK Entreprenør A/S strengthening NCC's construction operation in the eastern parts of Norway, where it occupies a strong position in Oslo, Asker/Bærum, Buskerud and Vestfold. The acquisition will also supplement NCC's existing expertise in housing production, refurbishment and construction services. Jan E. Engebretsen has high expertise in masonry, plastering and tiling in Fredrikstad and will also contribute to strengthening NCC in Østfold. The total cost and fair values were established temporarily since they were based on preliminary valuations. Accordingly, the acquisition amounts will be adjusted.

## Parent Company

### MOST RECENT QUARTER, OCTOBER – DECEMBER 2012

Invoicing for the Parent Company amounted to SEK 4,826 M (2,193). The higher final profit recognition of projects and the lower impairment losses on shares in subsidiaries resulted in increased profit compared with the year-earlier period. Profit after financial items was SEK 723 M (loss: 361). In the Parent Company, profit is recognized when projects are subject to final profit recognition.

### FULL-YEAR PERIOD, JANUARY – DECEMBER 2012

Invoicing for the Parent Company amounted to SEK 25,763 M (18,870). Increased invoicing in contracting operations, meaning a higher number of projects that are subject to final-profit recognition, as well as lower impairment losses of shares in subsidiaries, had a positive impact on profit for the period. Profit after financial items totaled SEK 1,915 M (579). In the Parent Company, profit is recognized when projects are subject to final profit recognition. The average number of employees was 7,204 (7,213).

## Parent Company income statement

SEK M	Note 1	2012		2011	
		Oct.-Dec.	Oct.-Dec.	Jan.-Dec.	Jan.-Dec.
Net sales		4,826	2,193	25,763	18,870
Production costs		-4,126	-1,931	-23,296	-16,915
<b>Gross profit</b>		<b>700</b>	<b>263</b>	<b>2,467</b>	<b>1,956</b>
Selling and administrative expenses		-380	-364	-1,412	-1,331
Result from sales of properties					2
<b>Operating profit</b>		<b>320</b>	<b>-102</b>	<b>1,055</b>	<b>627</b>
<i>Result from financial investment</i>					
Result from participations in Group companies		428	-263	883	-11
Result from participations in associated companies		14	-9	13	-9
Result from other financial fixed assets			-7		-7
Result from financial current assets		37	52	188	192
Interest expense and similar items		-76	-32	-223	-213
<b>Result after financial items</b>		<b>723</b>	<b>-361</b>	<b>1,915</b>	<b>579</b>
Appropriations		-405	-4	-405	-4
Tax on net profit for the period		-31	-23	-289	-225
<b>Net profit for the period</b>		<b>287</b>	<b>-388</b>	<b>1,221</b>	<b>350</b>

## Parent Company statement of comprehensive income

SEK M	Note 1	2012		2011	
		Oct.-Dec.	Oct.-Dec.	Jan.-Dec.	Jan.-Dec.
<b>Net profit for the period</b>		<b>287</b>	<b>-388</b>	<b>1 221</b>	<b>350</b>
<b>Total comprehensive income during the year</b>		<b>287</b>	<b>-388</b>	<b>1 221</b>	<b>350</b>

## Parent Company balance sheet, condensed

SEK M	Note 1	2012 Dec. 31	2011 Dec. 31
<b>ASSETS</b>			
Intangible fixed assets		35	18
<b>Total intangible fixed assets</b>		<b>35</b>	<b>18</b>
Tangible fixed assets		109	117
Financial fixed assets		6,487	6,651
<b>Total fixed assets</b>		<b>6,631</b>	<b>6,786</b>
Housing projects		315	180
Materials and inventories		35	23
Current receivables		6,194	6,015
Short term investments		5,725	6,450
Cash and bank balances		1,259	806
<b>Total current assets</b>		<b>13,529</b>	<b>13,474</b>
<b>TOTAL ASSETS</b>		<b>20,160</b>	<b>20,259</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Shareholders' equity		6,376	6,293
Untaxed reserves		739	334
Provisions		876	1,124
Long term liabilities		2,701	3,011
Current liabilities		9,467	9,497
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>20,160</b>	<b>20,259</b>
<b>Assets pledged</b>		<b>12</b>	<b>12</b>
<b>Contingent liabilities</b>		<b>19,032</b>	<b>13,886</b>

## Notes to the Parent Company's income statement and balance sheet

### NOTE 1. ACCOUNTING POLICIES

The Parent Company has compiled its interim report pursuant to the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation, *RFR 2 Accounting for Legal Entities*.

The interim report for the Parent Company has been prepared in accordance with the same accounting policies and methods of calculation as the 2011 Annual Report (Note 1, pages 60-67).

## Significant risks and uncertainties

### GROUP

An account of the risks to which NCC may be exposed is presented in the 2011 Annual Report (pages 46-48). This description remains relevant.

### PARENT COMPANY

Significant risks and uncertainties for the Parent Company are identical to those of the Group.

## Related-party transactions

The companies related to the Parent Company are the Nordstjernan Group, the Axel Johnson Group and NCC's subsidiaries, associated companies and joint ventures. The Parent Company's related-party transactions were of a production character. Related-company sales during the October – December quarter amounted to SEK 4 M (26) and purchases to SEK 134 M (162). For full-year 2012, sales amounted to SEK 29 M (165) and purchases to SEK 534 M (558). The transactions were conducted on a purely commercial basis.

## Information to shareholders

### CONVERSION OF SHARES

During December 2012, 299,899 Series A shares were converted to Series B shares at the request of shareholders, following which the total number of voting rights in the company was 379,640,796. The total number of registered shares in the company was 108,435,822, of which 30,133,886 were Series A and 78,301,936 were Series B. NCC AB holds 415,500 Series B treasury shares to meet its obligations pursuant to LTI 2012.

## Other significant events

### LONG-TERM PERFORMANCE-BASED INCENTIVE PROGRAM

NCC's 2012 Annual General Meeting resolved in accordance with the Board's motion to introduce a long-term performance-based incentive program (LTI 2012) for senior executives and key personnel within the Group. The program is described in the six-month report. A total of 119 senior executives and key personnel are encompassed by LTI 2012, of whom 13 are Danish and Russian participants. In consideration of tax and labor laws in Denmark and Russia, the Danish and Russian participants received a cash-based incentive program, which complies with the guidelines of LTI 2012.

## Proposed dividend

The Board proposes a dividend of SEK 10.00 (10.00) per share. The proposed record date for dividends is April 12, 2013.

## Annual General Meeting

NCC's Annual General Meeting will be held at Vinterträdgården, Grand Hôtel, Royal's entrance hall on Stallgatan in Stockholm, on April 9, 2013. The Meeting will open at 4:30 p.m. A notice convening the Annual General Meeting will be published in Post- och Inrikes Tidningar, and will be available at NCC's website [www.ncc.se](http://www.ncc.se) on March 6. Confirmation of the notice convening the Annual General Meeting will be announced in Dagens Nyheter and Svenska Dagbladet on the same date. Motions for resolution by the Annual General Meeting from the Board and the Nomination Committee will be available on the website, where it will also be possible to register for the Meeting.

## Motion to the Annual General Meeting from the 2013 Nomination Committee

The NCC Nomination Committee proposes that the 2013 AGM reelect the current members of the Board: Tomas Billing, who is also proposed for reelection as Chairman of the Board, Antonia Ax:son Johnson, Ulla Litzén, Olof Johansson, Sven-Olof Johansson and Christoph Vitzthum. Ulf Holmlund has declined re-election following nine years on the NCC Board.

Ahead of the 2013 AGM, NCC's Nomination Committee comprises Viveca Ax:son Johnson (Chairman of the Board, Nordstjernan AB), Thomas Eriksson (former President, Swedbank Robur AB) and Johan Ståhl (Senior Portfolio Manager, Lannebo Fonder AB), with Viveca Ax:son Johnson as Committee Chairman. Chairman of the Board Tomas Billing is a co-opted member of the Nomination Committee, but has no voting right.

The Nomination Committee's other proposals will be presented in the notice convening the Annual General Meeting.

## Reporting occasions in 2013

Annual General Meeting	April 9, 2013
Interim report, January - March 2013	May 3, 2013
Interim report, January - June 2013	August 16, 2013
Interim report, January - Sept 2013	October 25, 2013

## Signatures

Solna, January 30, 2013  
NCC AB

The Board of Directors

This report is unaudited.

## Reporting by geographical market

January - December SEK M	Orders received		Backlog		Net sales		EBIT		Average numbers of employees		Capital employed	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Sweden	28,659	31,362	23,236	25,855	31,338	28,961	1,526	1,314	10,060	9,939	8,287	6,904
Denmark	5,571	6,246	3,586	3,989	6,721	5,853	297	86	2,239	2,204	3,478	3,304
Finland	7,461	9,335	6,883	7,776	8,261	8,040	343	229	2,810	2,639	2,708	2,187
Norway	10,425	7,276	8,397	5,677	8,590	7,046	147	84	2,090	1,777	3,590	2,663
Germany	2,664	2,391	2,402	1,950	2,140	2,189	159	118	650	633	985	717
St. Petersburg	912	875	1,253	839	500	455	80	60	314	256	903	608
The Baltic countries	68	100	77	102	73	69	-20	-38	12	11	533	588

The Baltic Construction-units are reported by Construction Finland

## Quarterly review

	2012 Okt.-Dec.	2012 Jul.-Sep.	2012 Apr.-Jun.	2012 Jan.-Mar.	2011 Okt.-Dec.	2011 Jul.-Sep.	2011 Apr.-Jun.	2011 Jan.-Mar.	2010 Okt.-Dec.
<b>Financial statements, SEK M</b>									
Net sales	19,069	13,765	13,733	10,659	18,119	13,033	12,851	8,533	15,338
Operating profit/loss	1,334	814	517	-130	1,140	612	545	-281	848 <sup>1</sup>
Profit/loss after net financial items	1,252	734	447	-171	1,080	553	502	-326	801 <sup>1</sup>
Profit/loss for the period	1,123	563	341	-131	768	413	369	-238	590 <sup>1</sup>
<b>Cash flow, SEK M</b>									
Cash flow from operating activities	3,248	-246	-1,928	-1,100	952	-250	-1,137	-1,111	1,322
Cash flow from investing activities	-267	-247	-251	-141	-246	-153	-297	-161	-115 <sup>1</sup>
Cash flow before financing	2,981	-492	-2,179	-1,242	706	-403	-1,435	-1,272	1,207 <sup>1</sup>
Cash flow from financing activities	-1,454	477	2,046	1,706	-948	713	311	416	-1,169 <sup>1</sup>
Net debt	6,061	9,024	8,519	5,201	3,960	4,621	4,302	1,700	431
<b>Order status, SEK M</b>									
Orders received	15,423	13,160	15,453	11,723	14,932	12,499	18,038	12,398	14,154
Order backlog	45,833	48,548	49,116	47,899	46,314	49,437	49,882	43,947	40,426
<b>Personnel</b>									
Average number of employees	18,175	17,950	16,844	16,240	17,459	16,799	16,050	15,147	16,731

## Summary of key figures

	2012	2011	2012	2011	2010	2009	2008 <sup>3)</sup>	2007 <sup>3)</sup>
	Okt.-Dec.	Okt.-Dec.	Jan.-Dec.	Jan.-Dec.	Jan.-Dec.	Jan.-Dec.	Jan.-Dec.	Jan.-Dec.
<b>Profitability ratios</b>								
Return on shareholders equity, % <sup>1)</sup>	23	17	23	17	20	25	27	34
Return on capital employed, % <sup>1)</sup>	15	16	15	16	19	17	23	28
<b>Financial ratios at period-end</b>								
Interest-coverage ratio, % <sup>1)</sup>	6.5	7.4	6.5	7.4	5.3	5.0	7.0	10.2
Equity/asset ratio, %	23	25	23	25	26	23	19	21
Interest bearing liabilities/total assets, %	24	17	24	17	14	15	15	10
Net debt, SEK M	6,061	3,960	6,061	3,960	431	1,784	3,207	744
Debt/equity ratio, times	0.7	0.5	0.7	0.5	0.1	0.2	0.5	0.1
Capital employed at period end, SEK M	18,241	13,739	18,241	13,739	12,390	12,217	12,456	10,639
Capital employed, average <sup>1)</sup>	16,632	13,101	16,632	13,101	12,033	15,389	11,990	10,521
Capital turnover rate, times	3.4	4.0	3.4	4.0	4.1	3.6	4.8	5.6
Share of risk-bearing capital, %	25	27	25	27	28	25	20	23
Average interest rate, % <sup>6)</sup>	3.6	4.2	3.6	4.2	4.6	4.5	5.9	5.2
Average period of fixed interest, years <sup>6)</sup>	1.1	0.8	1.1	0.8	1.5	1.8	1.6	1.8
Average interest rate, % <sup>7)</sup>	2.4	2.7	2.4	2.7	2.3			
Average period of fixed interest, years <sup>7)</sup>	0.1	0.1	0.1	0.1	0.1			
<b>Per share data</b>								
Profit/loss after tax, before dilution, SEK	10.40	7.09	17.51	12.08	14.05	15.26	16.69	20.75
Profit/loss after tax, after dilution, SEK	10.40	7.09	17.51	12.08	14.05	15.26	16.69	20.73
Cash flow from operating activities, before dilution, SEK	30.07	8.78	-0.24	-14.27	22.35	59.39	1.18	9.51
Cash flow from operating activities, after dilution, SEK	27.60	6.51	-8.61	-22.17	17.84	54.96	-1.64	10.75
P/E ratio <sup>1)</sup>	8	10	8	10	11	8	3	7
Dividend, ordinary, SEK			10.00 <sup>8)</sup>	10.00	10.00	6.00	4.00	11.00
Extraordinary dividend, SEK								10.00
Dividend yield, %			7.3	8.3	6.8	5.1	8.1	15.1
Dividend yield excl. extraordinary dividend, %			7.3	8.3	6.8	5.1	8.1	7.9
Shareholders' equity before dilution, SEK	82.97	76.41	82.97	76.41	74.81	68.91	63.10	66.48
Shareholders' equity after dilution, SEK	82.97	76.41	82.97	76.41	74.80	68.90	63.10	66.48
Share price/shareholders' equity, %	164	158	164	158	198	172	78	209
Share price at period-end, NCC B, SEK	136.20	121.00	136.20	121.00	147.80	118.25	49.50	139.00
<b>Number of shares, millions</b>								
Total number of issued shares <sup>2)</sup>	108.4	108.4	108.4	108.4	108.4	108.4	108.4	108.4
Treasury shares at period-end	0.4	0.0	0.4	0.0	0.0	0.0	0.0	0.0
Total number of shares outstanding at period-end before dilution	108.0	108.4	108.0	108.4	108.4	108.4	108.4	108.4
Average number of shares outstanding before dilution during the period	108.0	108.4	108.2	108.4	108.4	108.4	108.4	108.4
Market capitalization before dilution, SEK M	14,706	13,136	14,706	13,136	16,005	12,809	5,209	14,999
<b>Financial objectives and dividend</b>								
Return on shareholders equity, % <sup>4)</sup>	2	17	20	25	18	27	34	
Debt/equity ratio, times <sup>5)</sup>	0.7	0.5	0.1	0.2	0.1	0.5	0.1	
Dividend, ordinary, SEK	10.00 <sup>8)</sup>	10.00	10.00	6.00	6.00	4.00	11.00	
Extraordinary dividend, SEK							10.00	

<sup>1)</sup> Calculations are based on a 12 month average.

<sup>2)</sup> All shares issued by NCC are common shares.

<sup>3)</sup> Columns are not recalculated according to IFRIC 15.

<sup>4)</sup> New objective as of 2007: 20percent. Previous objective: 15 percent.

<sup>5)</sup> New objective as of 2010: < 15. Previous objective: <10.

<sup>6)</sup> Excluding liabilities pertaining to Swedish tenant-owners' associations and Finnish housing companies.

<sup>7)</sup> Liabilities pertaining to Swedish tenant-owners' association and Finnish housing companies.

<sup>8)</sup> Dividend motioned by the Board of Directors.

For definitions of key figures, see p. 23 and Annual Report 2011, p. 1B.

## NCC in brief

### VISION

NCC's vision is to be the leading company in the development of future environments for working, living and communication.

### BUSINESS CONCEPT – RESPONSIBLE ENTERPRISE

NCC develops and builds future environments for working, living and communication. Supported by its values, NCC and its customers jointly identify needs-based, cost-effective and high-quality solutions that generate added value for all of NCC's stakeholders and contribute to sustainable social development.

### OBJECTIVE

NCC's overriding objective is to create value for its customers and shareholders. NCC aims to be a leading player in the markets in which it is active, to offer sustainable solutions and to be the customer's first choice.

### FINANCIAL OBJECTIVES AND DIVIDEND POLICY

NCC aims to generate a healthy return to shareholders under financial stability. The return on shareholders' equity after tax shall amount to 20 percent. The level for the return target is based on the margins that the various parts of the Group are expected to generate on a sustainable basis, and on capital requirements in relation to the prevailing business focus.

To ensure that the return target is not reached by taking financial risks, net indebtedness – defined as interest-bearing liabilities less cash and cash equivalents and

interest-bearing receivables – must never exceed 1.5 times shareholders' equity during any given quarter.

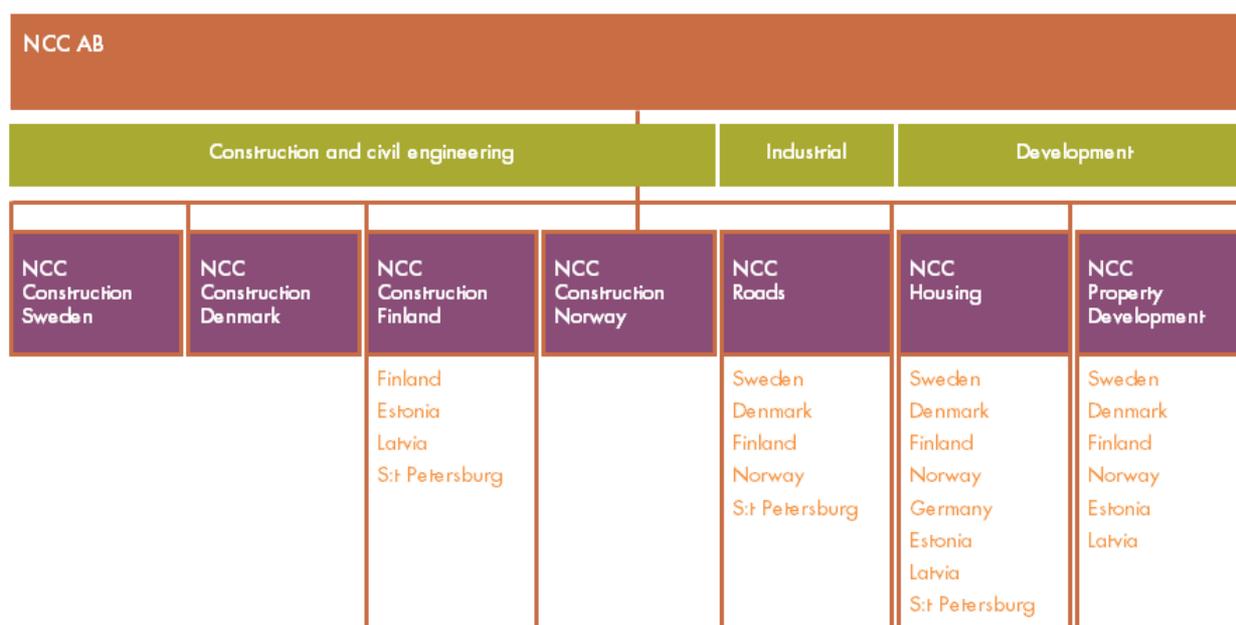
NCC's dividend policy is to distribute at least half of after-tax profit for the year to the shareholders. The aim of the policy is to generate a healthy return for NCC's shareholders and to provide NCC with the potential to invest in its operations and thus ensure that future growth can be created while maintaining financial stability.

### ORGANIZATION

NCC conducts integrated construction and development operations in the Nordic region, Germany, Estonia, Latvia and St. Petersburg. The company has three businesses: industrial, construction and civil engineering, as well as development. These businesses generate both operational and financial synergies. The company's operations are organized into seven business areas.

### STRATEGY 2012–2015

NCC aims to achieve profitable growth and be a leading player in the markets in which it is active. Being a leading player entails being among the top three companies in the industry in terms of profitability and volume. Three markets and areas are prioritized: growth in Norway in all business areas, establishing a presence in the civil engineering market in Finland and expansion of the housing development business in all markets. Growth targets have been established for NCC's various operations during the strategy period.



## Contact information

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## Information meeting

An information meeting with an integrated web and teleconference will be held on January 30 at 10:00 a.m. at Vallgatan 5 in Solna, Sweden. The presentation will be held in Swedish. To participate in this teleconference, call +46 (0)8 506 307 79, five minutes prior to the start of the conference. State "NCC".

In its capacity as issuer, NCC AB is releasing the information in this year-end report for January-December 2012 pursuant to Chapter 17 of the Swedish Securities Market Act (2007:528). The information was distributed to the media for publication at 08:00 a.m. CET on Wednesday, January 30.

## Definitions

### INDUSTRY-SPECIFIC GLOSSARY

**Construction costs:** The cost of constructing a building, including building accessories, utility-connection fees, other contractor-related costs and VAT. Construction costs do not include the cost of land.

**Required yield:** The yield required by a purchaser in connection with the sale of property and housing projects. Operating revenues less operating and maintenance expenses (operating net) divided by the investment value, also called yield.

**Proprietary project:** When NCC, for its own development purposes, acquires land, designs a project, conducts construction work and then sells the project. Pertains to both housing projects and commercial property projects.

**Leasing rate:** The percentage of anticipated rental revenues that corresponds to signed leases (also called leasing rate based on revenues).

### FINANCIAL KEY FIGURES

**Return on equity:** Net profit for the year according to the income statement excluding non-controlling interests, as a percentage of average shareholders' equity.

**Return on capital employed:** Profit after financial items including results from participations in associated companies following the reversal of interest expense in relation to average capital employed.

**Dividend yield:** The dividend as a percentage of the market price at year-end.

**Net indebtedness:** Interest-bearing liabilities and provisions less financial assets including cash and cash equivalents.

**Net sales:** The net sales of construction operations are recognized in accordance with the percentage-of-completion principle. These revenues are recognized in pace with the gradual completion of construction projects within the company. For NCC Housing, net sales are recognized when the housing unit is transferred to the end customer. Property sales are recognized on the date on which significant risks and benefits are transferred to the buyer, which normally coincides with the transfer of ownership. In the Parent Company, net sales correspond to recognized sales from completed projects.

**Orders received:** Value of received projects and changes in existing projects during the period concerned. Proprietary projects for sale, if a decision to initiate the assignment has been taken, are also included among assignments received, as are finished properties included in inventory.

**Order backlog:** Period-end value of the remaining non-worked-up project revenues for projects received, including proprietary projects for sale that have not been completed.

**Capital employed:** Total assets less interest-free liabilities including deferred tax liabilities. Average capital employed is calculated as the average of the balances per quarter.

Rounding-off differences may arise in all tables