

Year-end report 2014



Peter Wågström
President and CEO

Ann-Sofie Danielsson
Chief Financial Officer

Rådhuset, Kristianstad

Q4 2014 in brief

Orders received
SEK 18.5 BN (14.4)

Order backlog
SEK 54.8 BN (47.6)

Net sales
SEK 18.8 BN (21.1)

Profit after financial items
SEK 1.0 BN (1.5)



2014 in brief

Orders received

SEK 61.4 BN (57.0)

Order backlog

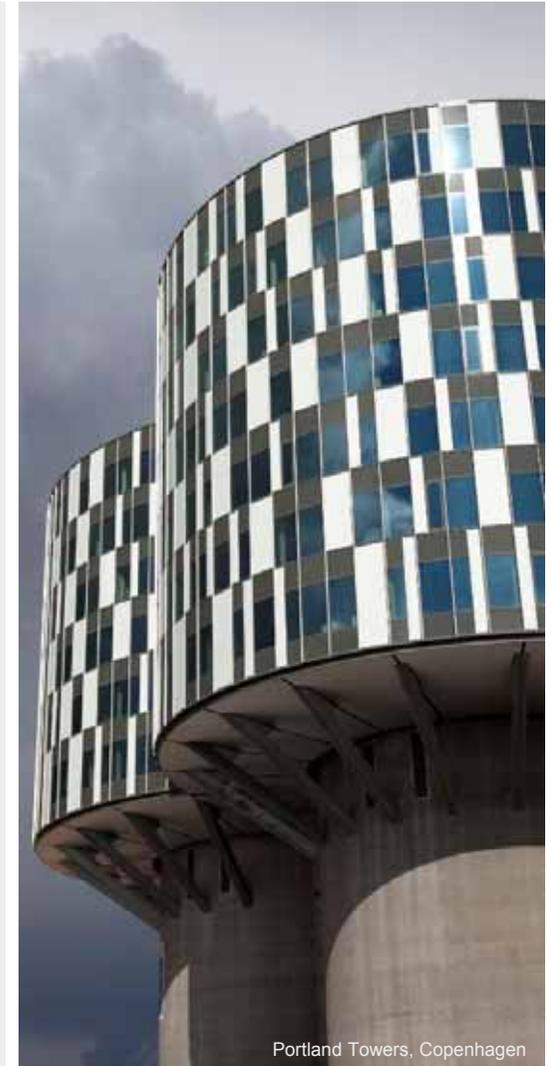
SEK 54.8 BN (47.6)

Net sales

SEK 56.9 BN (57.8)

Profit after financial items

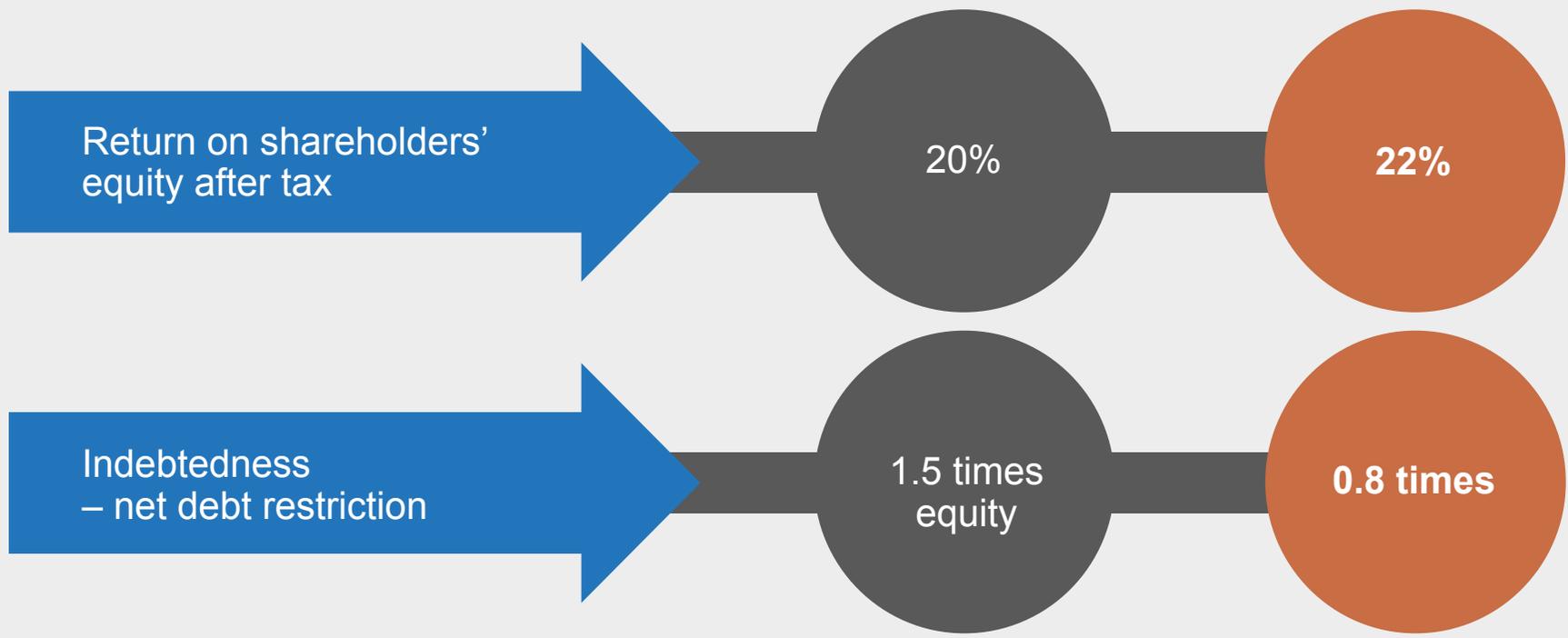
SEK 2.2 BN (2.4)



Portland Towers, Copenhagen

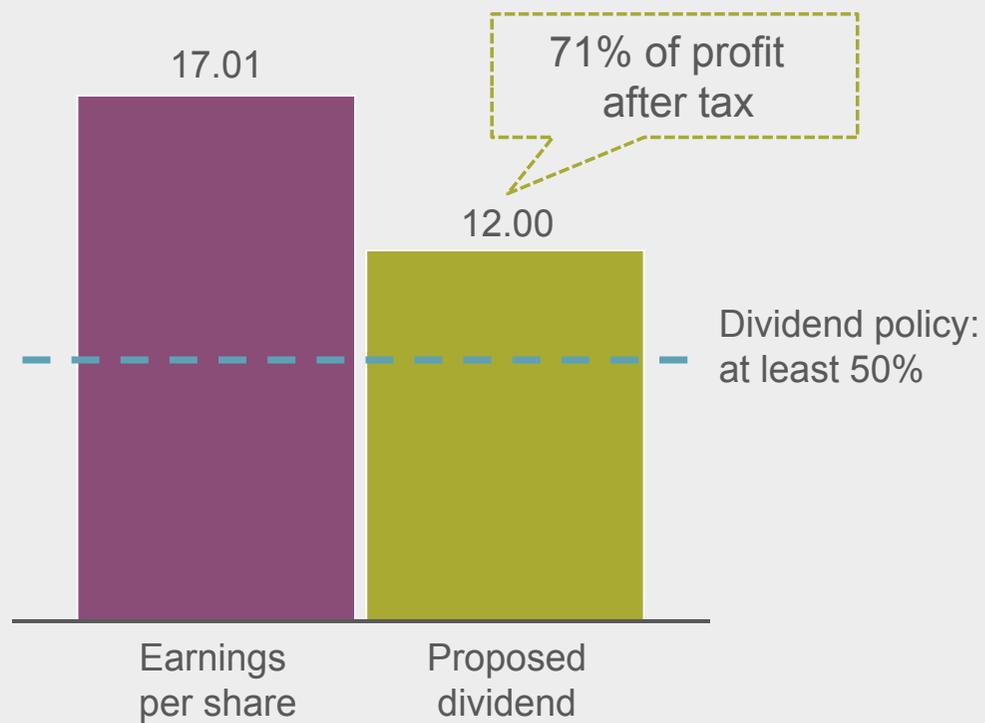
Financial objectives

Outcome 2014



Earnings per share and dividend 2014

SEK



Dividend – divided into two payments

Proposed record dates

6 SEK, March 26, 2015

6 SEK, October 27, 2015



Trends in Nordic construction market

Sweden

- Growth in all segments

Norway

- Favorable trend in infrastructure

Denmark

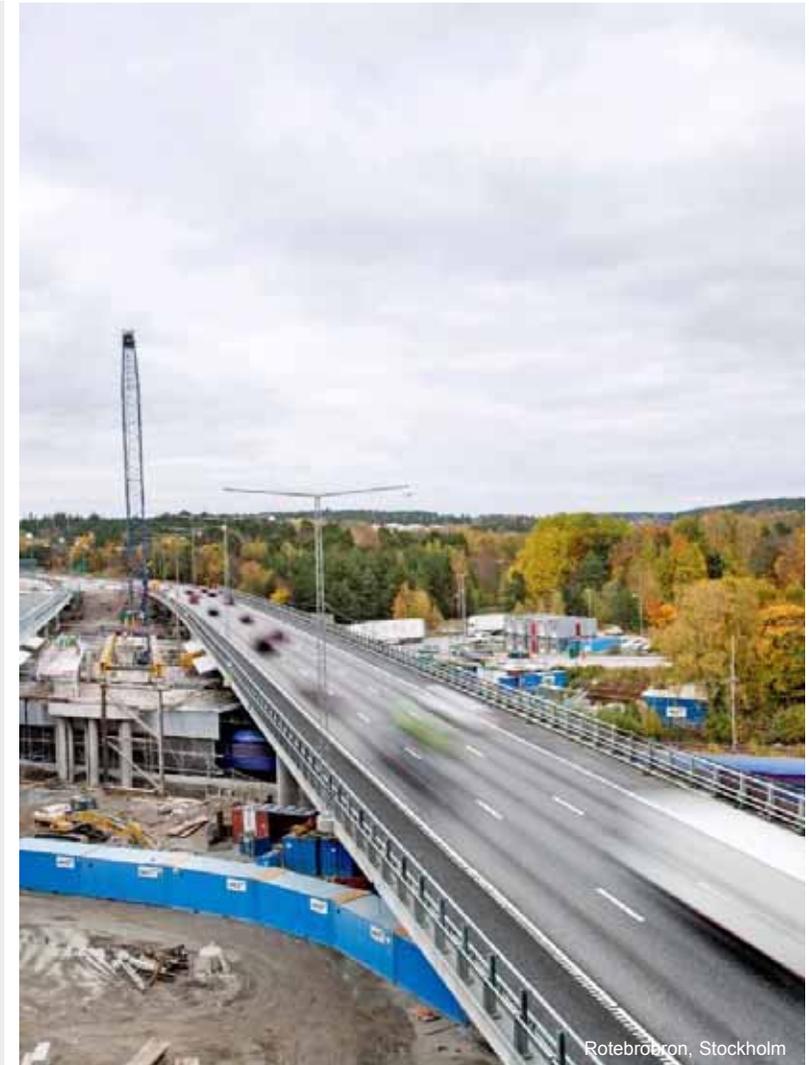
- Growth in Copenhagen and Aarhus – residential and other buildings, energy renovation

Finland

- Challenging market

Outlook 2015

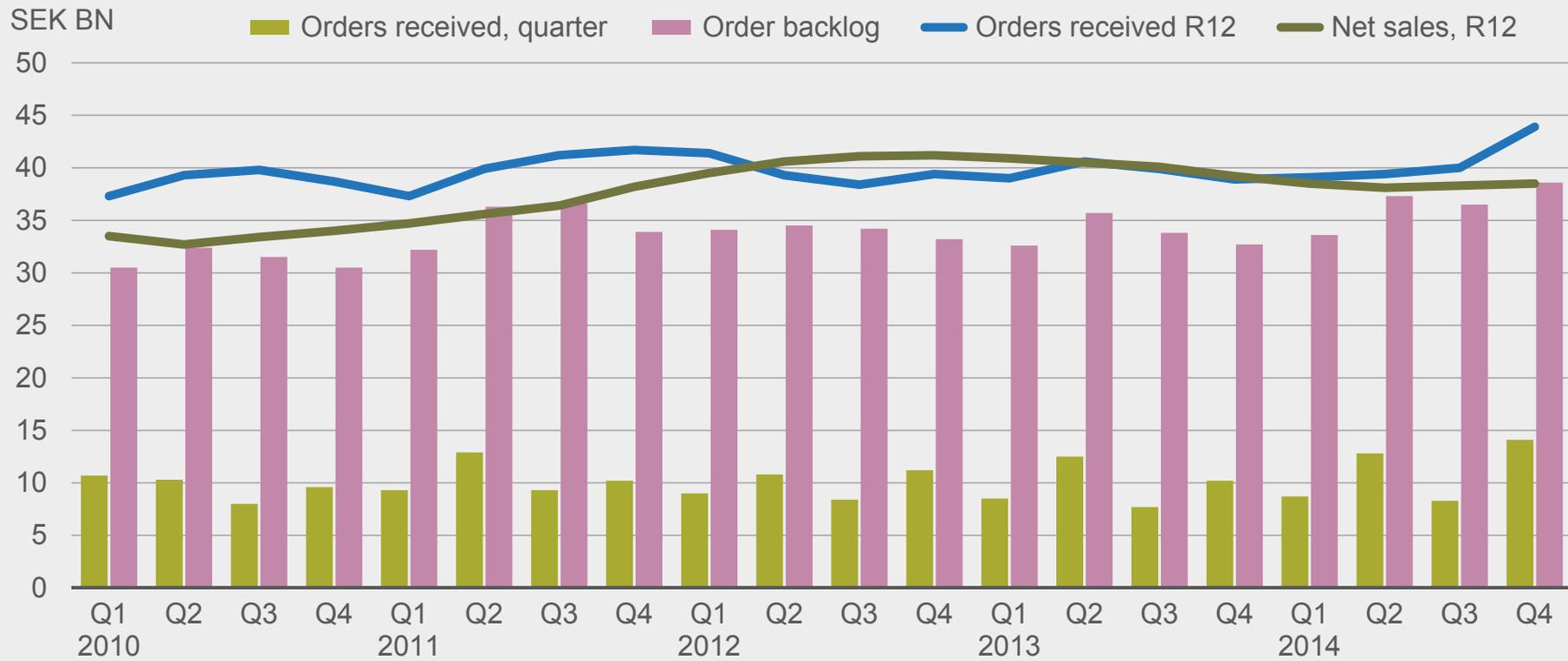
- Nordic market growth – stronger in Sweden and Norway, challenging in Finland



Rotebron, Stockholm

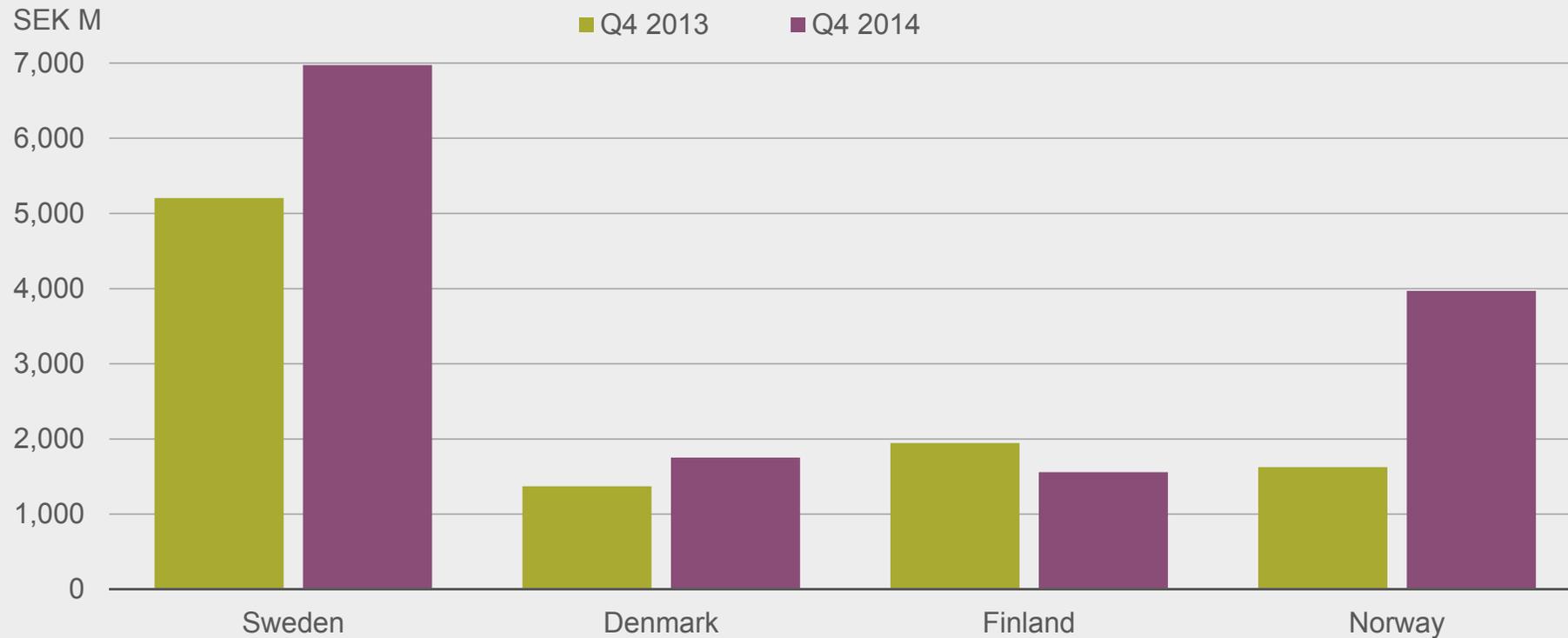
Positive trend orders received

NCC's Construction units



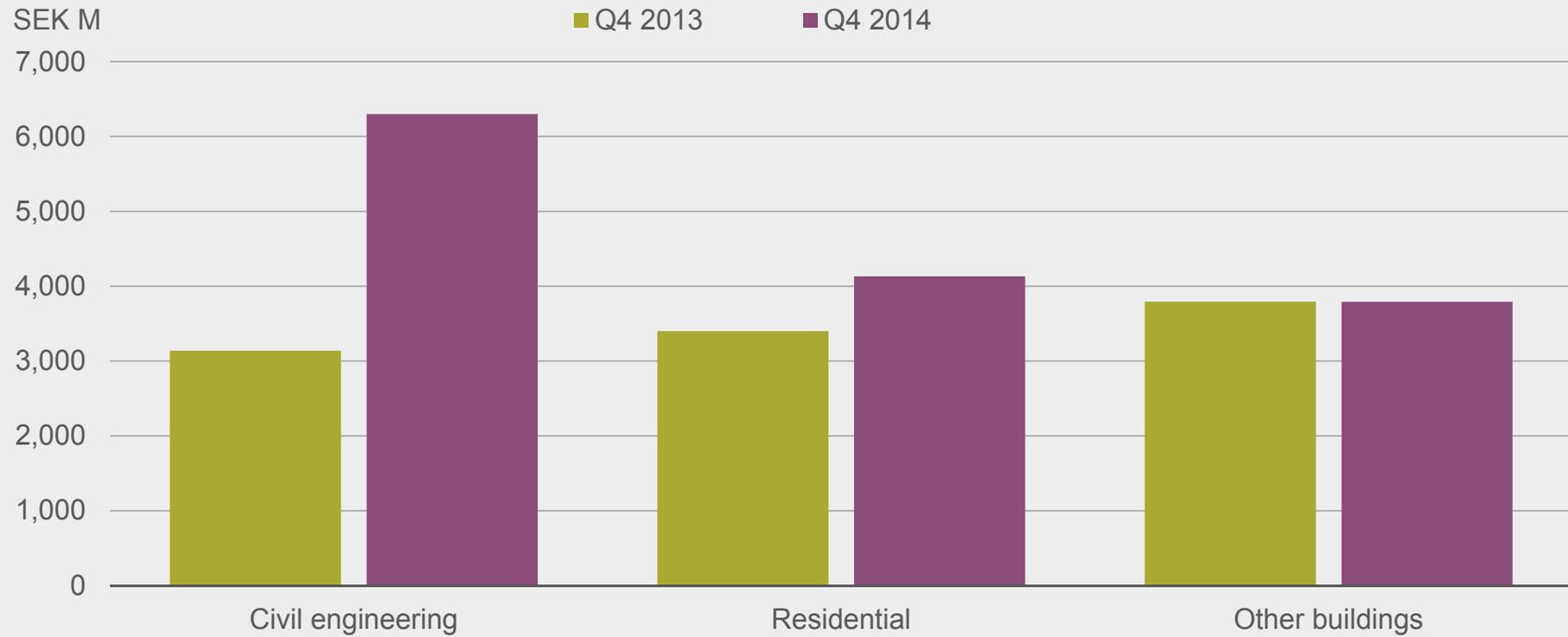
Favorable orders received in Sweden, Norway and Denmark

Orders received, NCC's Construction units



Increased orders in civil engineering and residential

Orders received, NCC's Construction units

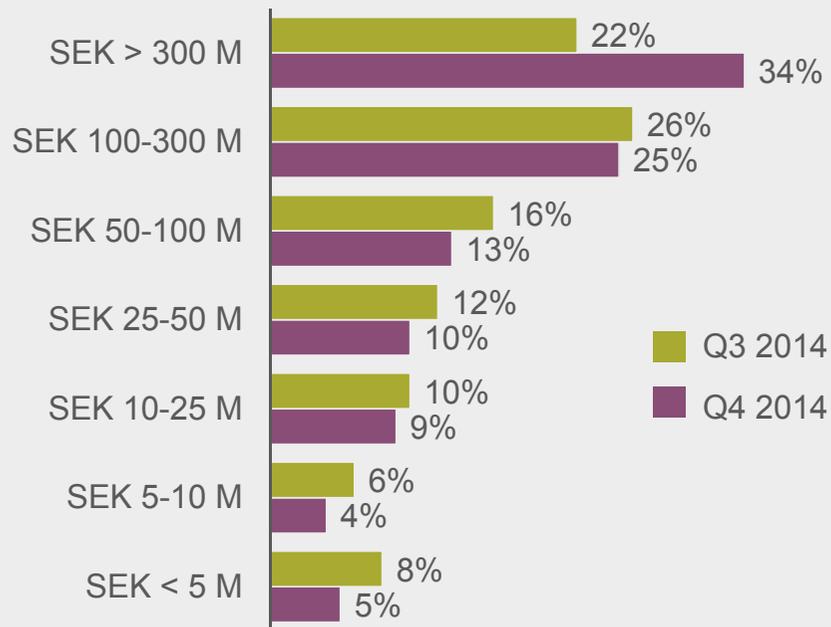


Increased share of large projects

NCC's Construction units

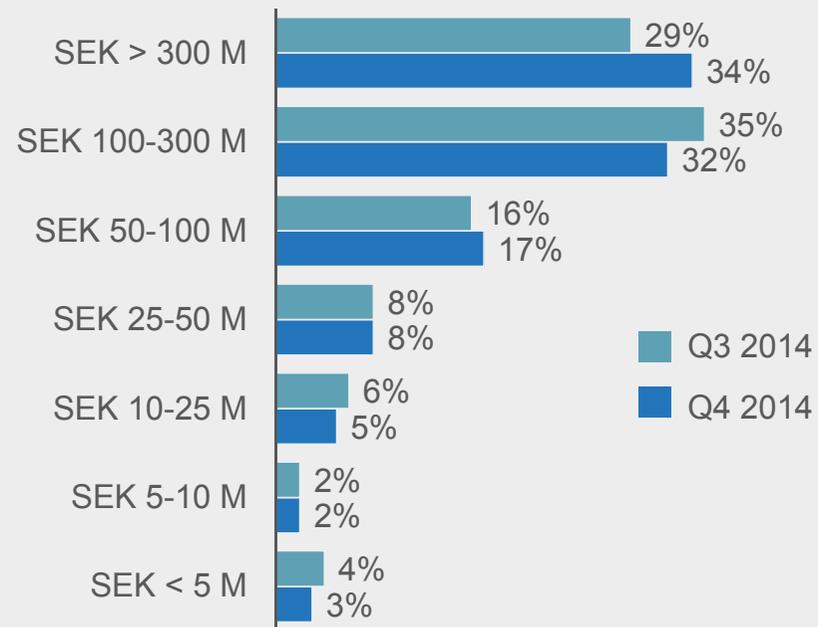
Project size, orders received

Total SEK 14.1 BN



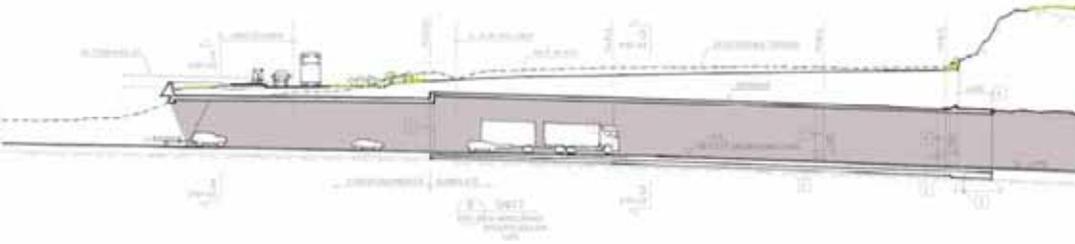
Project size, order backlog

Total SEK 38.6 BN



A selection of construction projects in Q4

Bjørnegård Tunnel on the E16 expressway between Sandvika and Wøyen in Norway, SEK 1.3 billion



Energy renovation of Sorgenfrivang II, a municipal housing area outside Copenhagen, Denmark, SEK 480 million



District healthcare center for the municipality of Järvenpää in southern Finland, SEK 310 million



Environmentally compatible offices in Uppsala, Sweden SEK 570 million



Vallda Heberg – outside Kungsbacka, Sweden

- Sweden's first passive house certified residential neighbourhood
- Customer: Eksta Bostads AB
- Construction period: 2012-2014
- Single and multi family dwellings
- 130 homes, rental and owner occupied
- Preschool and nursing home



Vallda Heberg



Trends in stone material, asphalt and road service

The Nordic market

Stone material

- Favorable demand, especially Sweden and Norway

Asphalt

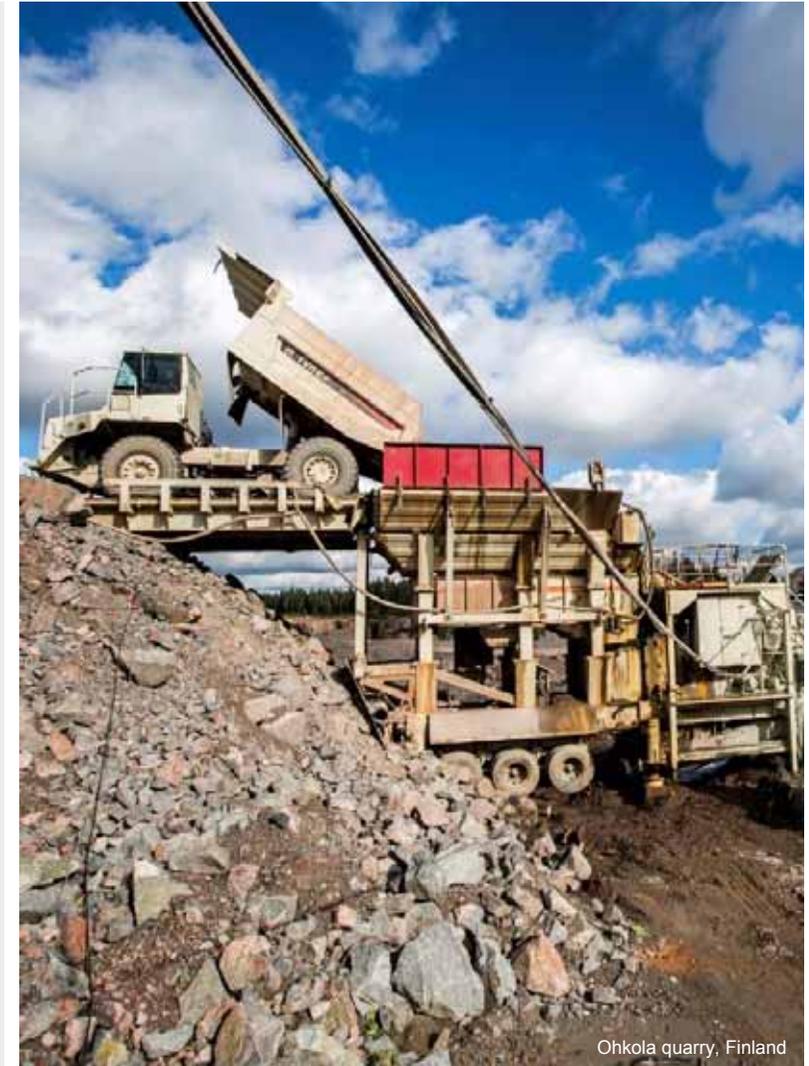
- Favorable demand

Road service

- Stable demand

Outlook 2015

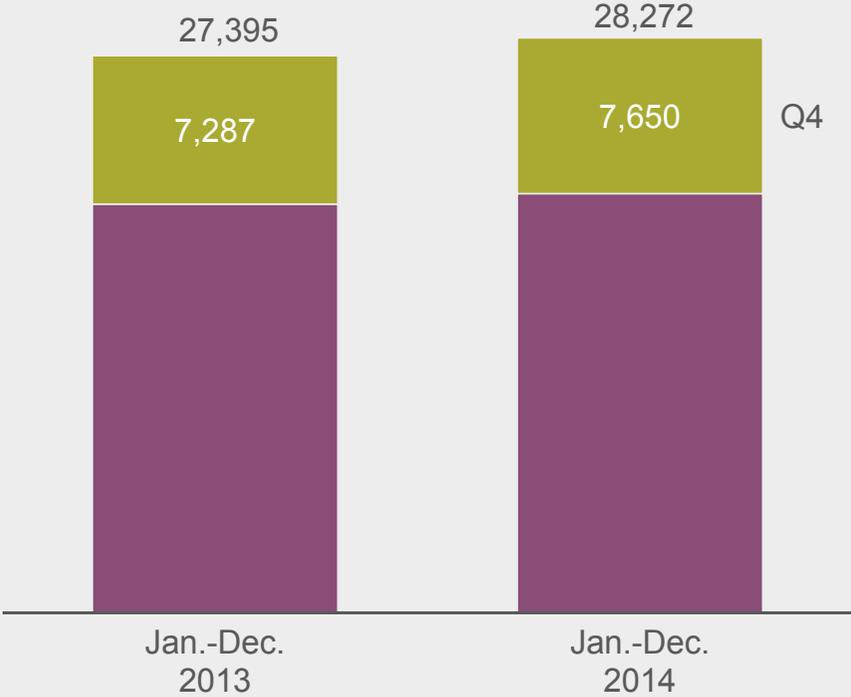
- Higher demand for stone material
- Potential for growth in asphalt



Ohkola quarry, Finland

Higher volume of stone material in Q4

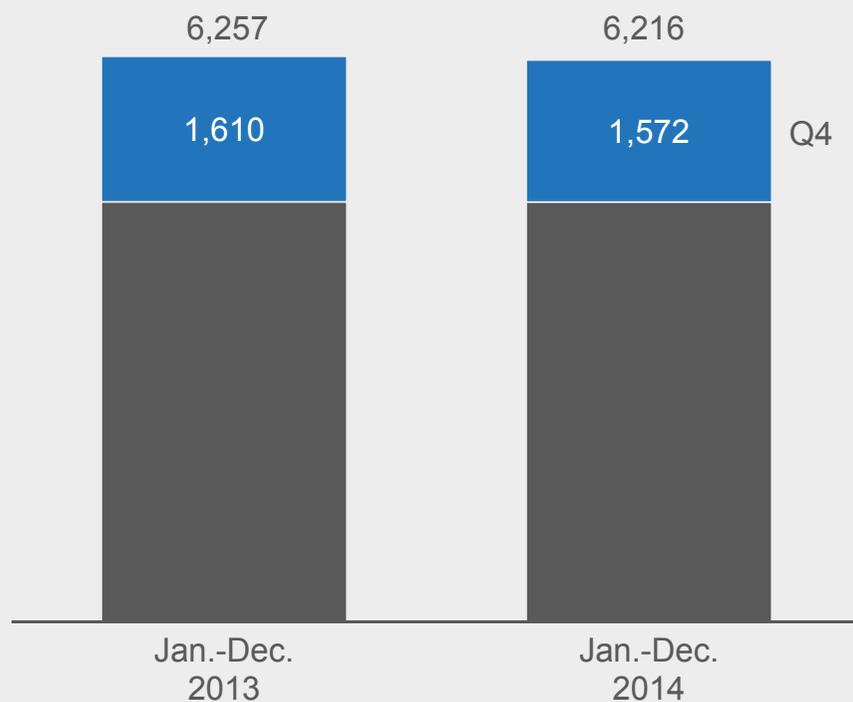
Volumes of stone material sold, thousands of tons



Ohkola, Finland

...slightly lower asphalt volumes

Volumes of asphalt sold, thousands of tons



Vestfynske Motorvej, Danmark

NCC ViaSafe

– *Safety and accessibility in traffic environment*



2015-01-27

NCC AB



Trends in residential markets

Private customers

- Favorable market in Sweden, Germany and St. Petersburg
- Challenging market in Finland

Investor markets

- Increased demand for investor packages in Germany, Sweden and Finland

Outlook 2015

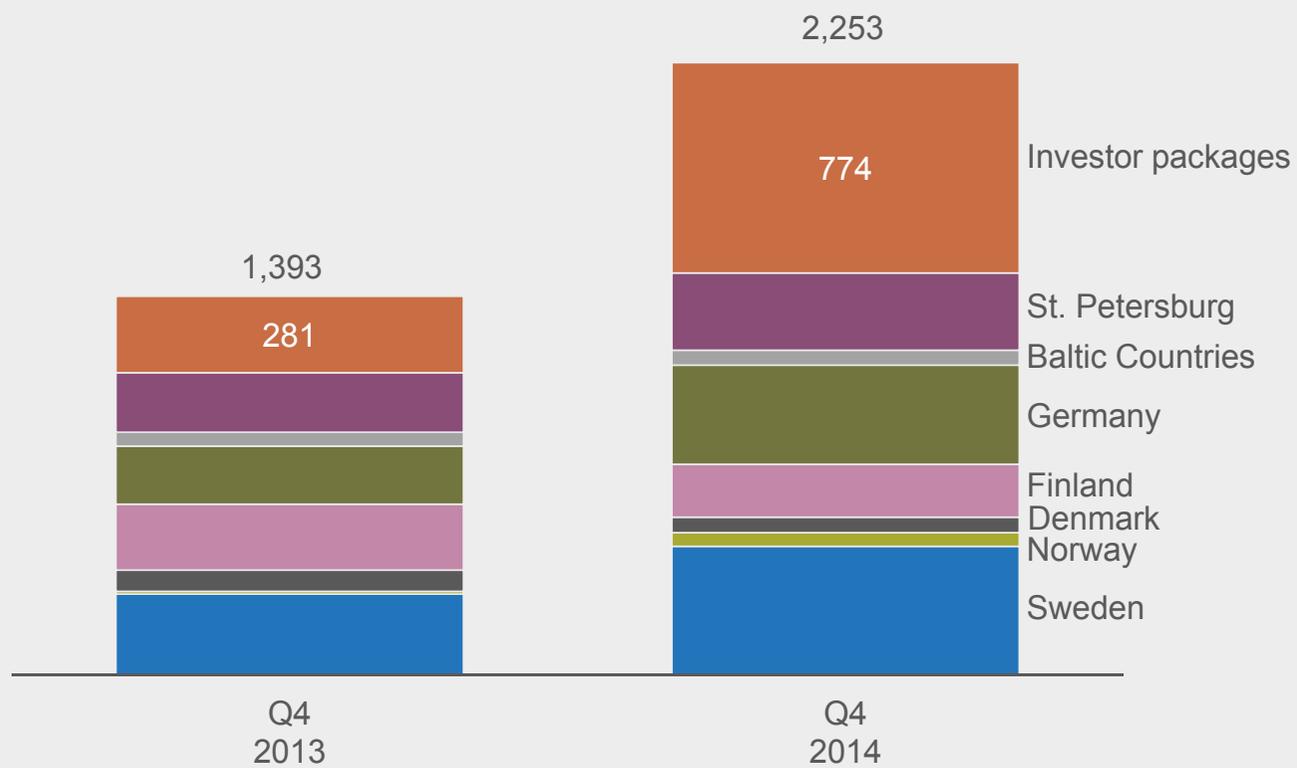
- Good demand – especially in Sweden and Germany
- Weak demand in Finland



Dresden-Omsewitz, Germany

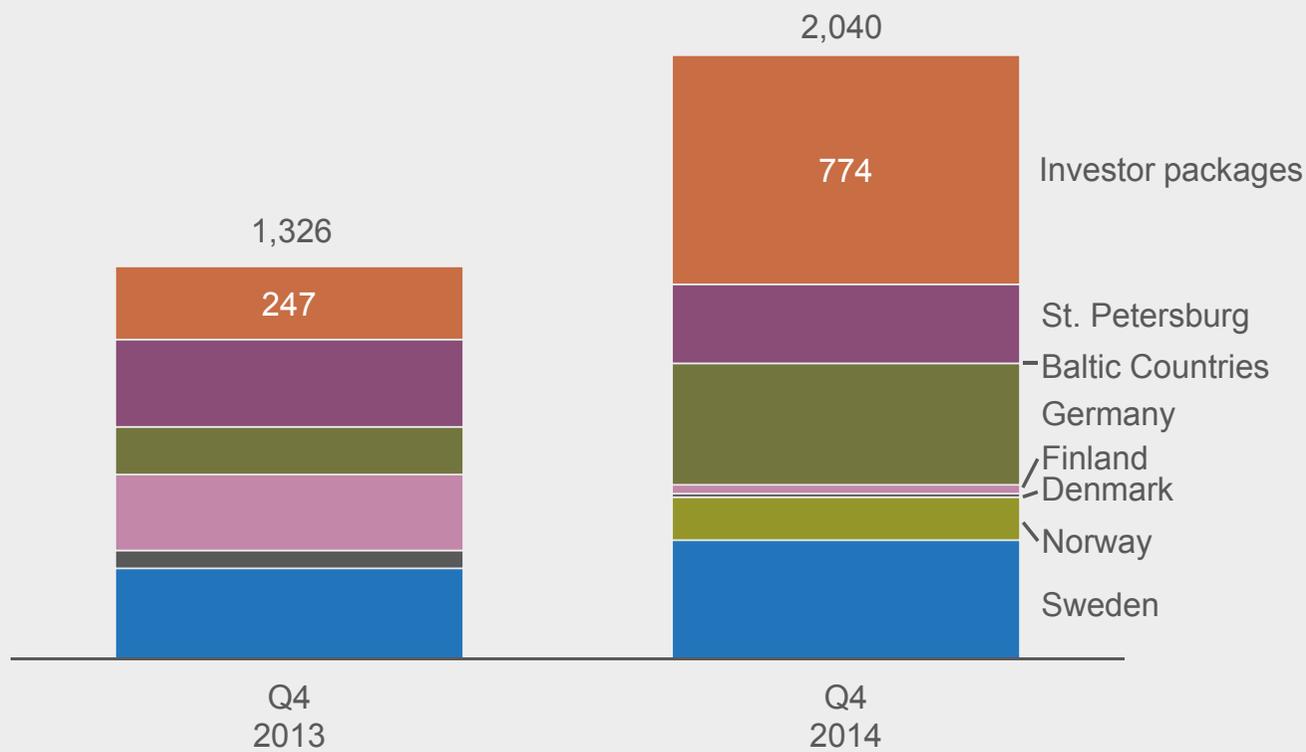
Higher sales...

No. of housing units sold



... enabled more starts

No. of housing starts



Maria Park, Helsingborg

Some of the started housing projects in Q4

Velipoika, Tampere, Finland
41 units



Norra Djurgårdsstaden 4, Stockholm, Sweden
64 units



Goerzallee, Berlin, Germany
234 units



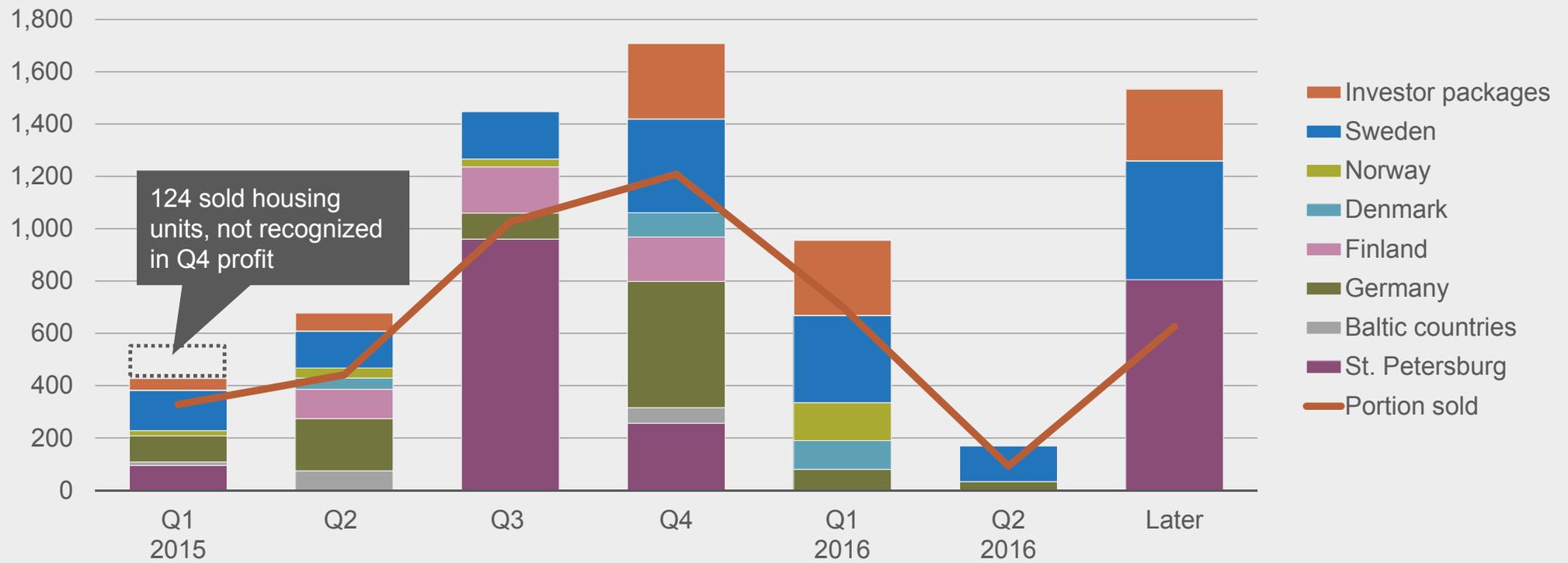
Lonaparken, Bergen, Norway
101 units



Same trend as previous years

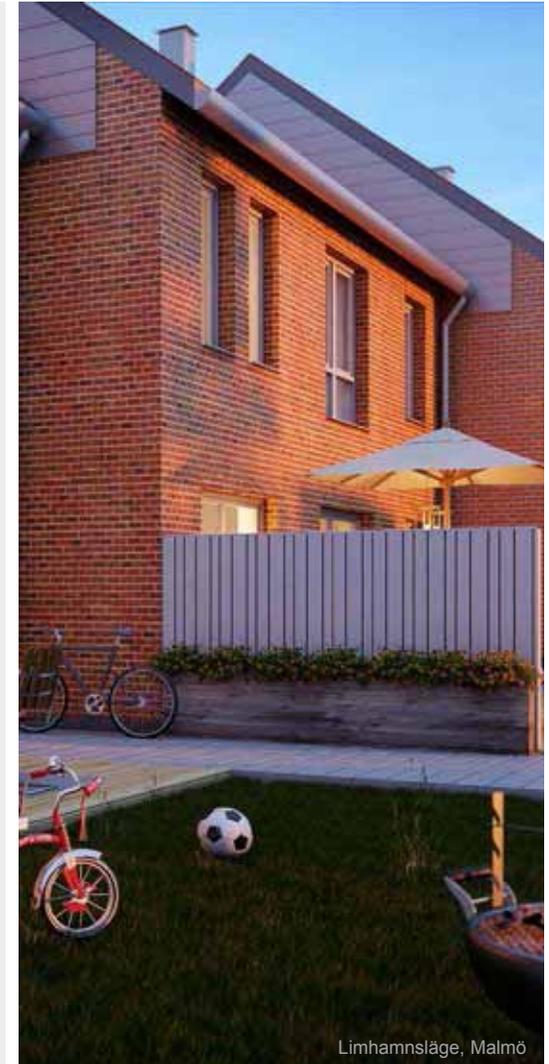
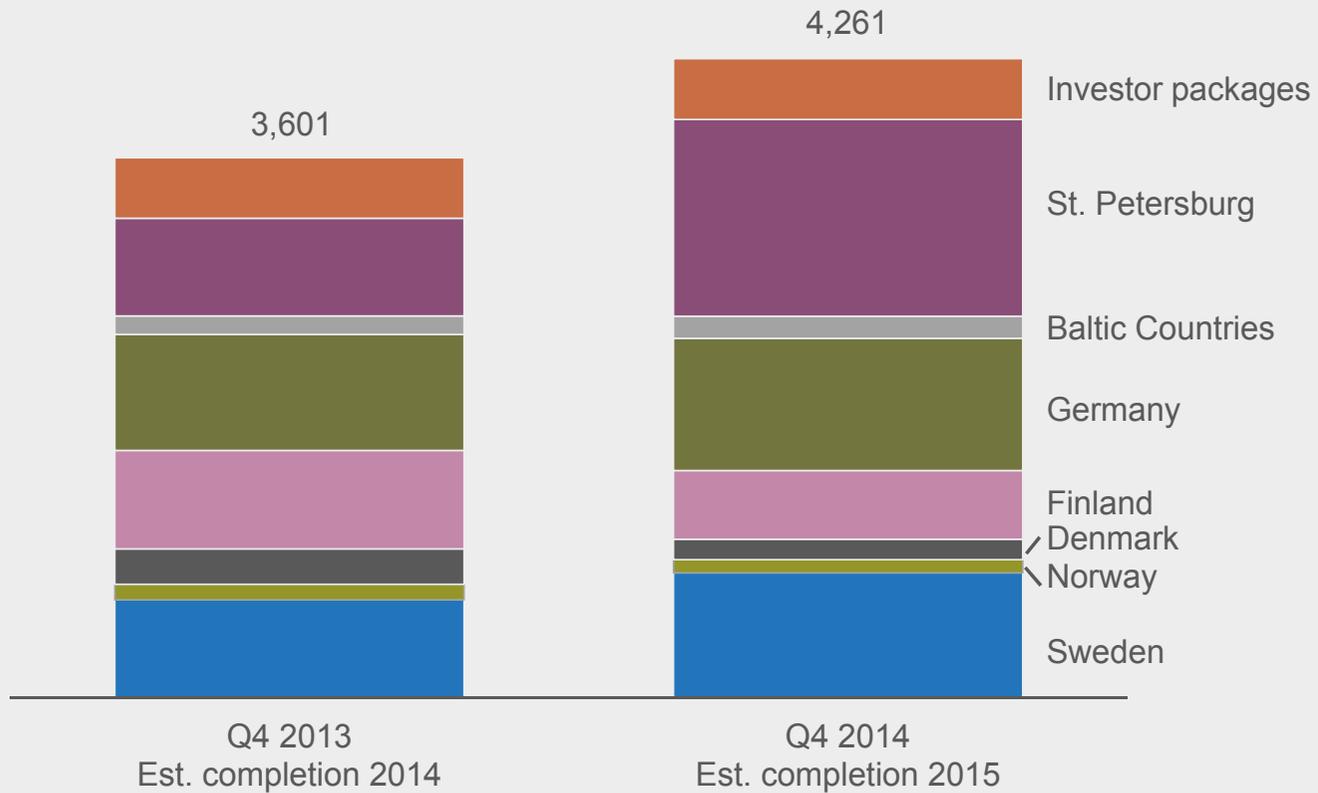
Estimated completion

No. of housing units



More housing units to be completed 2015

Estimated completions



Limhamnsläge, Malmö

More housing units in ongoing production

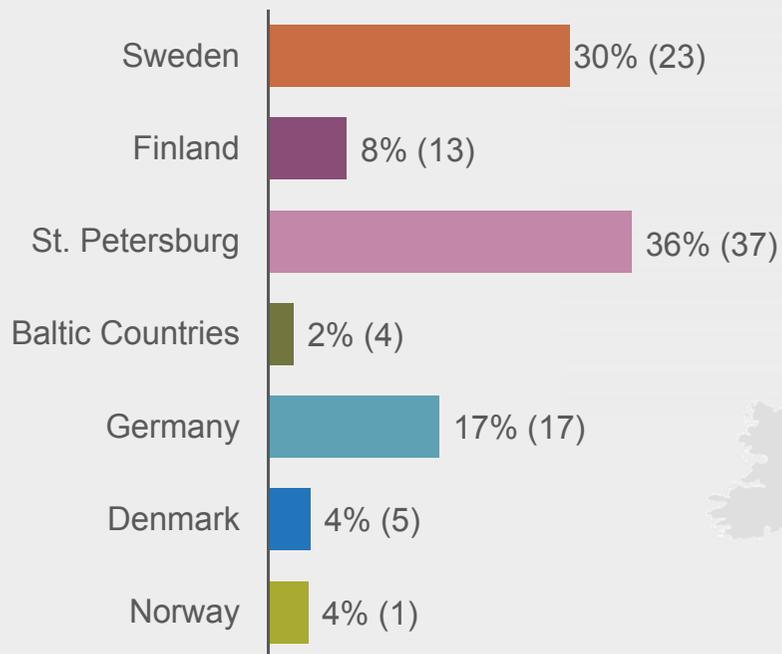
	For private customers		For investors		Total	
	Dec. 31, 2014	Dec. 31, 2013	Dec. 31, 2014	Dec. 31, 2013	Dec. 31, 2014	Dec. 31, 2013
Number of housing units						
Ongoing production	5,952	4,831	1,735	1,552	7,687	6,383
Sales rate, %	58	47	100	98	68	60
Completion rate, %	45	49	65	38	50	46



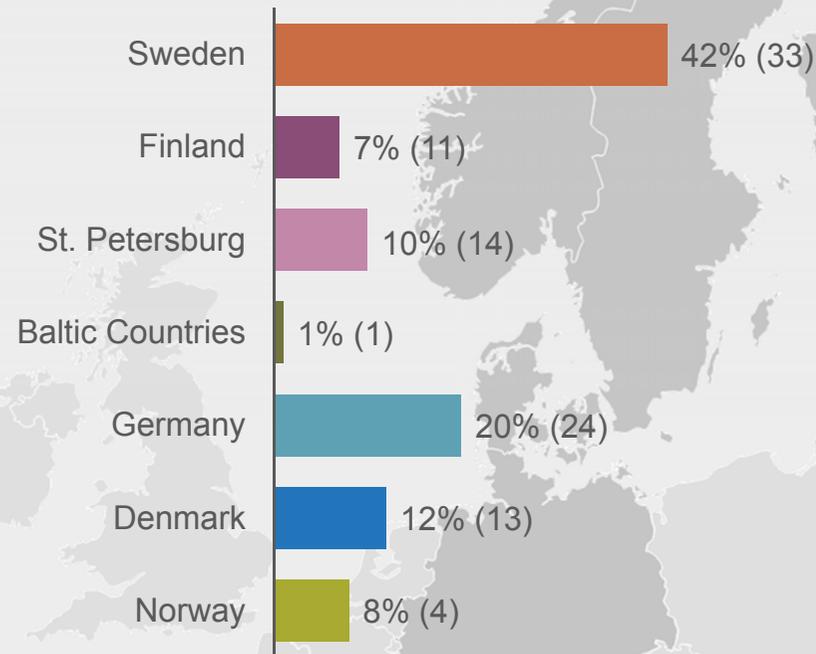
Housing portfolio

*Housing for private customers, ongoing production
December 31, 2014 (Sept. 30 2014)*

Number of housing units



Estimated value



Trends in Nordic property market

Investor market

- Increasing interest in the Nordic market
- Finland
 - Cautious investors

Rental market

- Good demand in Sweden
- Stable in Copenhagen and Oslo
- Weaker demand in Finland

Outlook 2015

- Stable interest for Nordic properties



Project starts Q4

Brunna, Upplands-Bro, Sweden

- 10,800 m² logistics center
- Leasing rate 26%



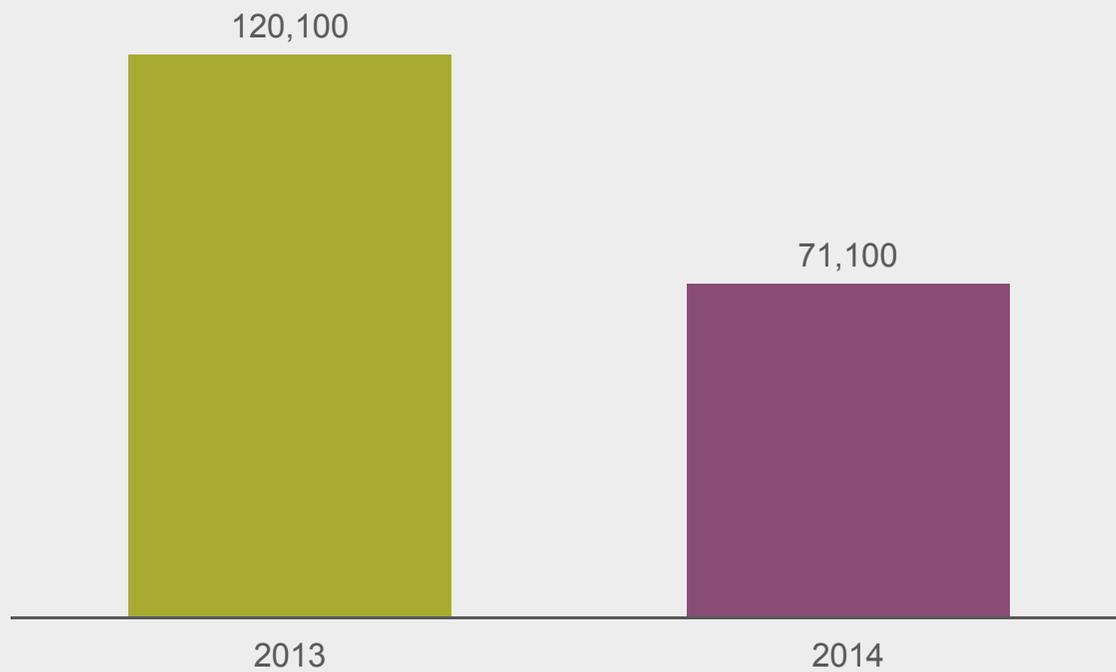
2015-01-27

NCC AB

Brunna Logistics Center

Lower leasing

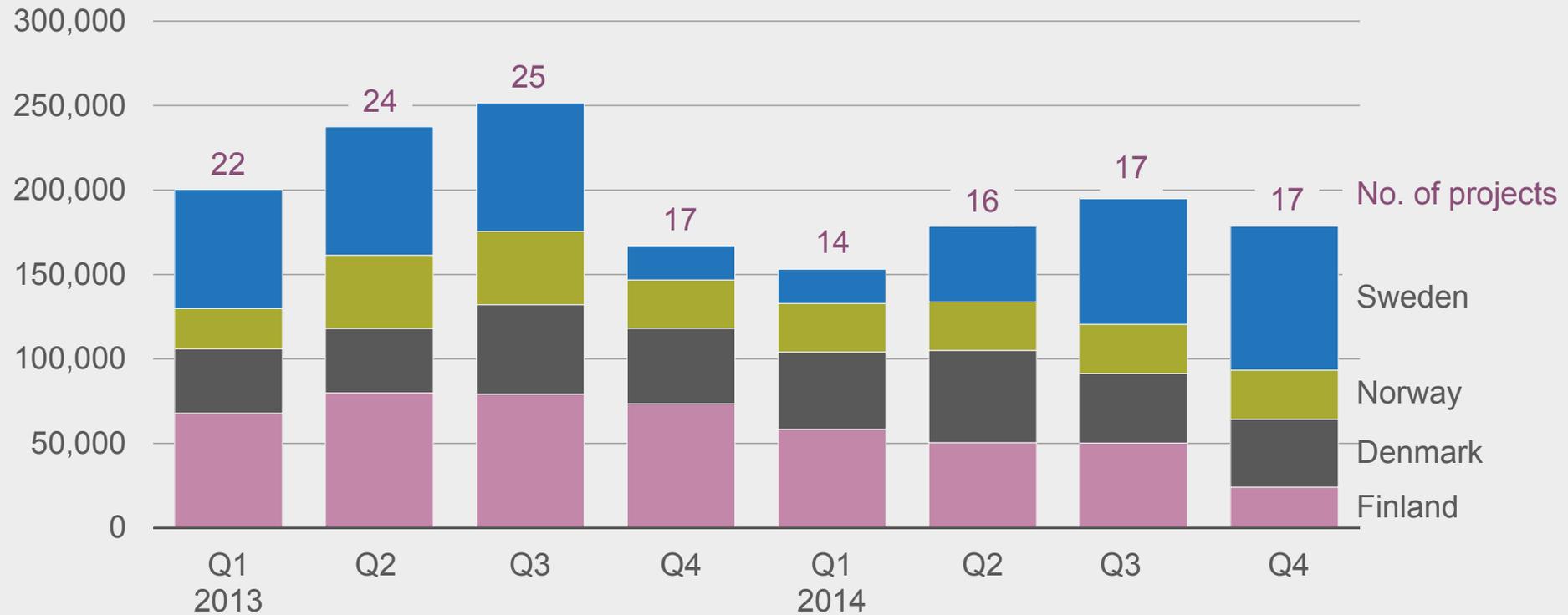
Leased floor space, m²

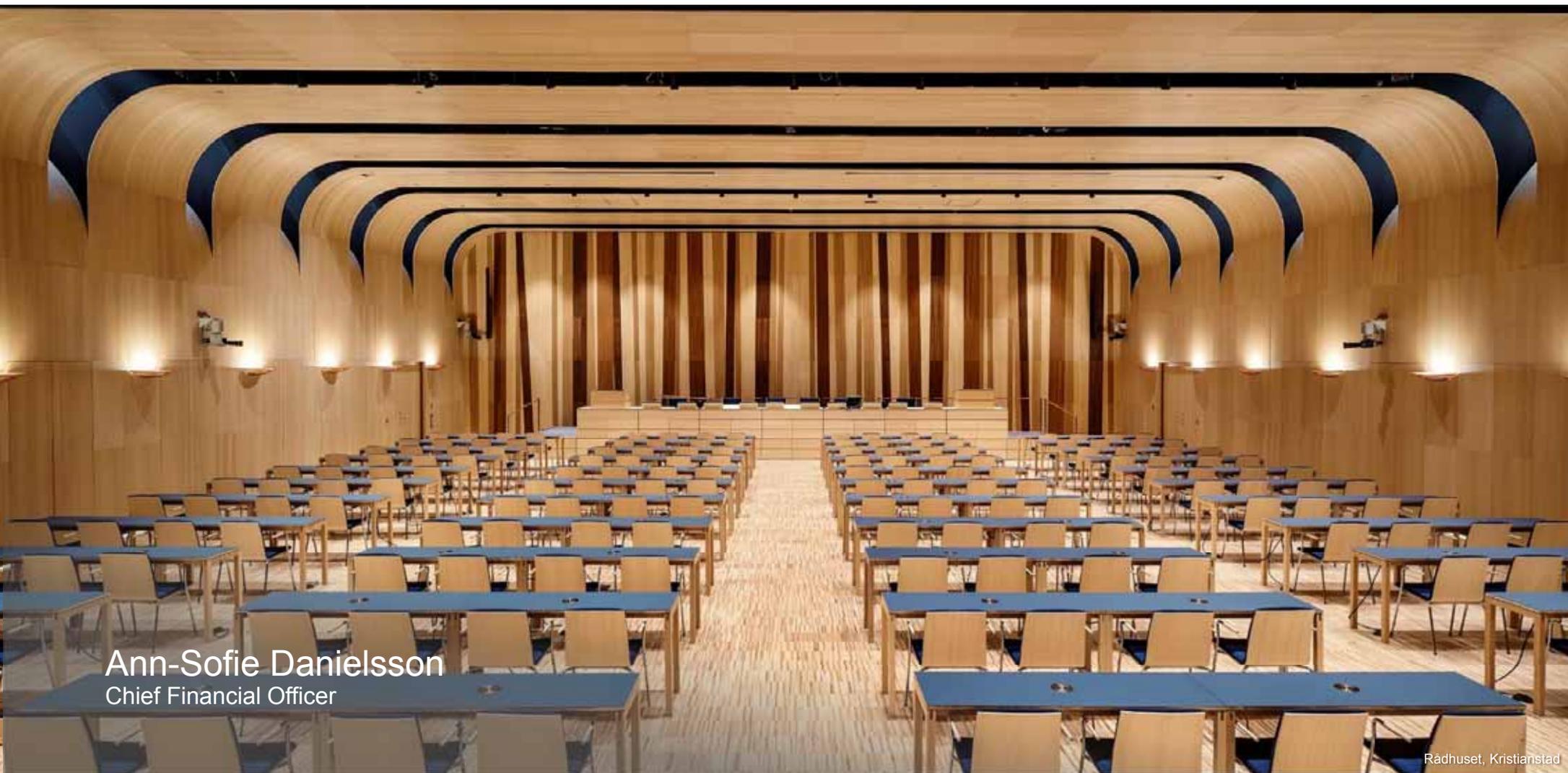


Lielathikeskus Retail Centre, Tampere

Sweden – a larger part of the portfolio

Leasable space, m², in ongoing or completed projects not recognized in profit





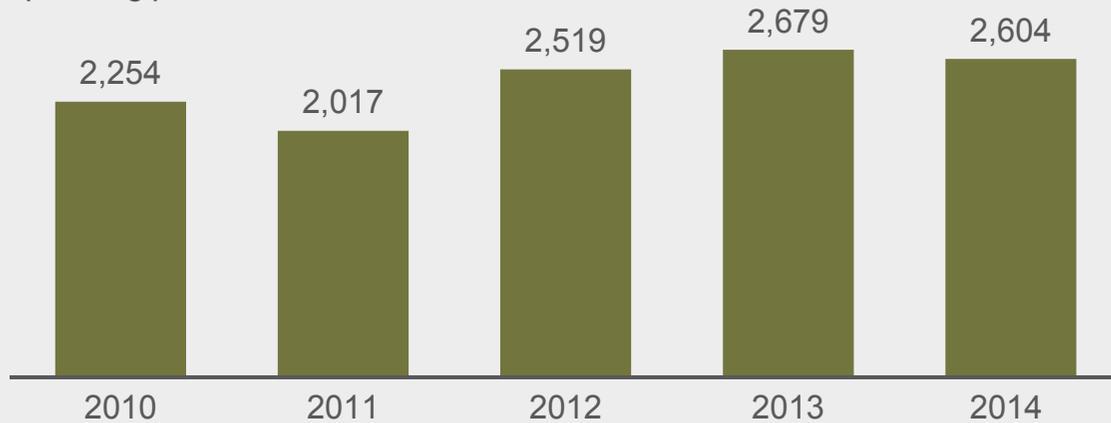
Ann-Sofie Danielsson
Chief Financial Officer

Rådhuset, Kristianstad

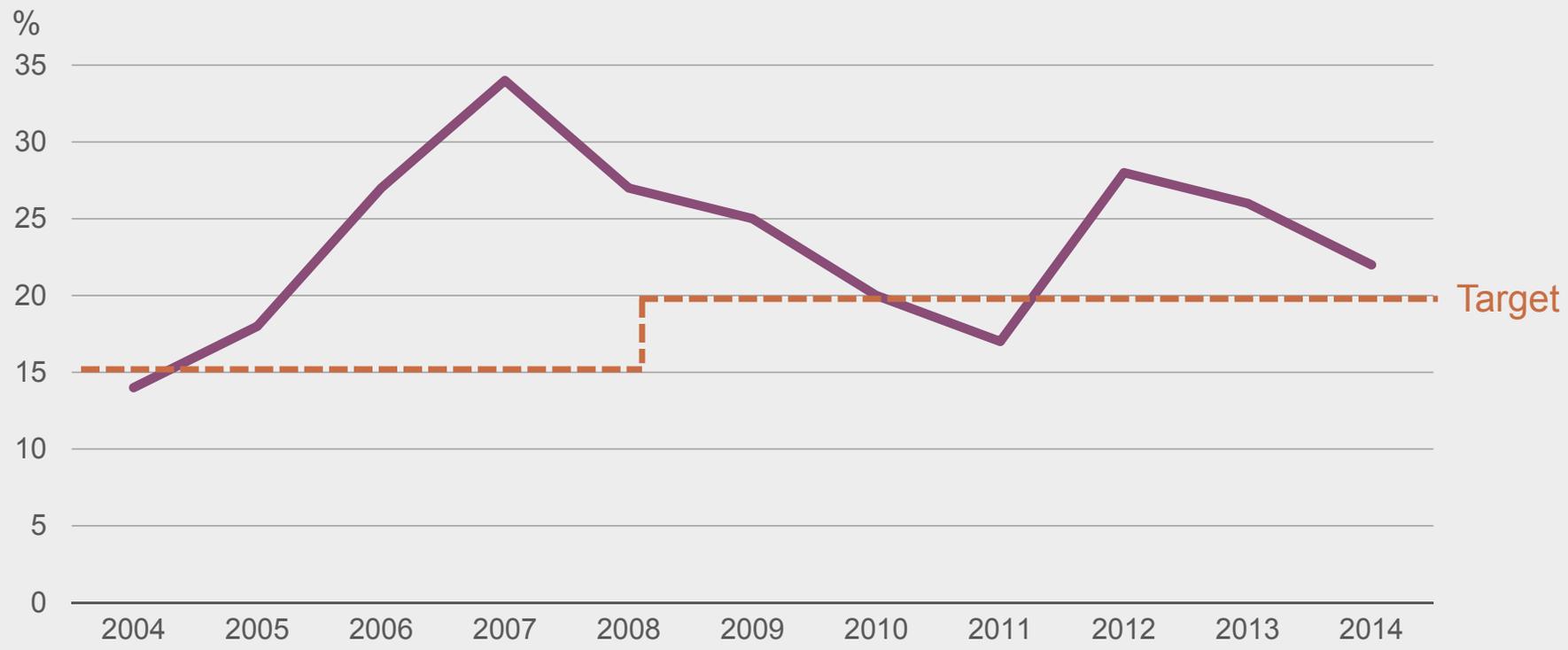
2014 in brief

- Orders received on a high level
- Favorable earnings
- Positive cash flow

Operating profit, SEK M



Return on equity



Income statement

SEK M	Oct.-Dec. 2014	Oct.-Dec. 2013	Jan.-Dec. 2014	Jan.-Dec. 2013
Net sales	18,760	21,073	56,867	57,823
Gross profit	1,999	2,400	5,691	5,796
Selling and administrative expenses	-923	-852	-3,117	-3,130
<i>Cost ratio</i>	4.9%	4.0%	5.5%	5.4%
Other	24	-1	31	14
Operating profit	1,101	1,547	2,604	2,679
Financial items	-84	-75	-370	-279
Profit after financial items	1,017	1,472	2,234	2,400
Tax on profit for the period	-140	-241	-396	-411
<i>Tax rate</i>	13.8%	16.4%	17.7%	17.1%
Profit for the period	878	1,231	1,838	1,989

Operating profit per business area

SEK M	Oct.-Dec. 2014	Oct.-Dec. 2013	Jan.-Dec. 2014	Jan.-Dec. 2013
NCC Construction Sweden	263	243	640	637
NCC Construction Denmark	99	67	281	208
NCC Construction Finland	41	45	148	127
NCC Construction Norway	44	77	146	3
NCC Roads	186	106	459	406
NCC Housing	480	483	918	605
NCC Property Development	43	475	169	713
Other and eliminations	-55	51	-157	-21
Operating profit	1,101	1,547	2,604	2,679

NCC Construction units

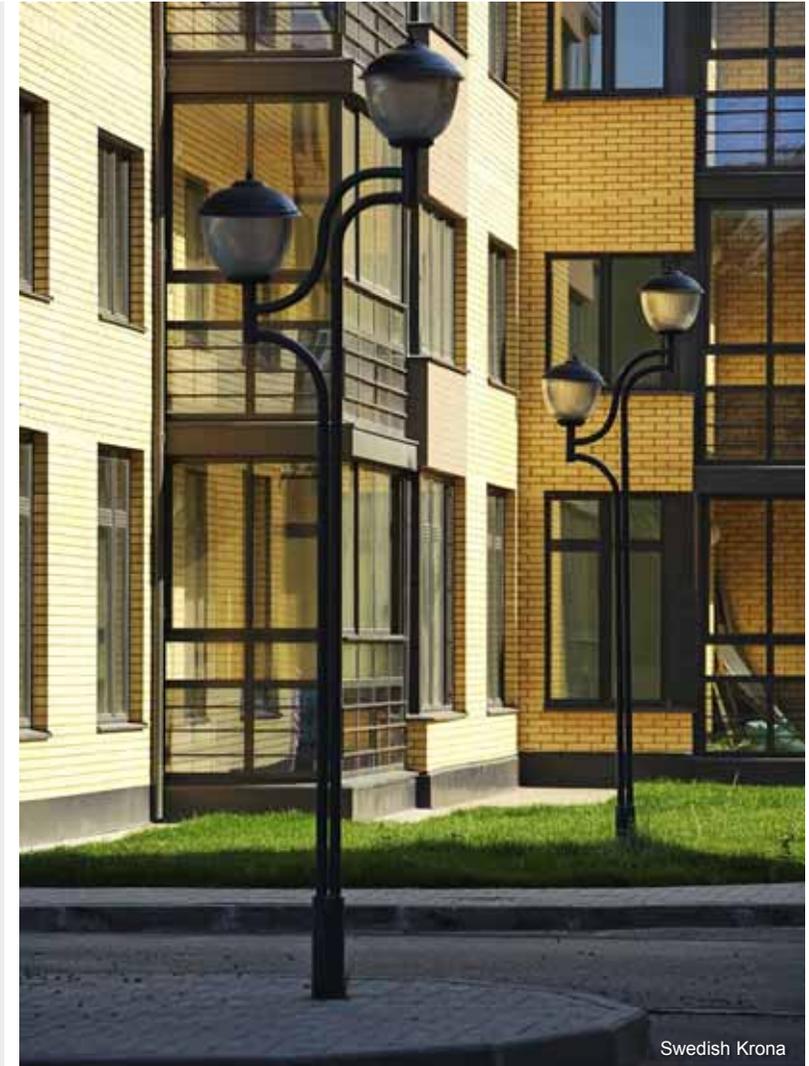


- Higher net sales
- Operating margin improved
- Good margins in Denmark

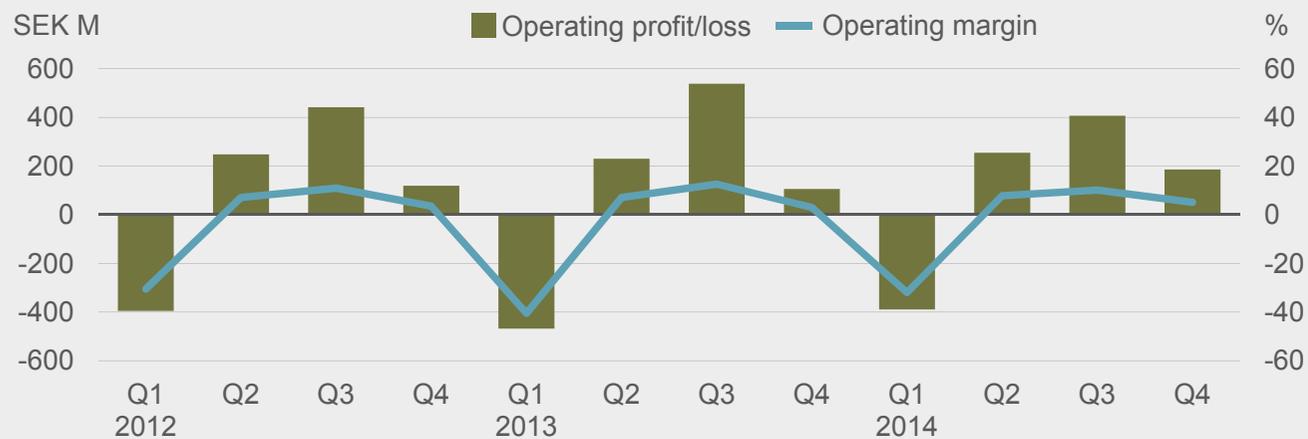
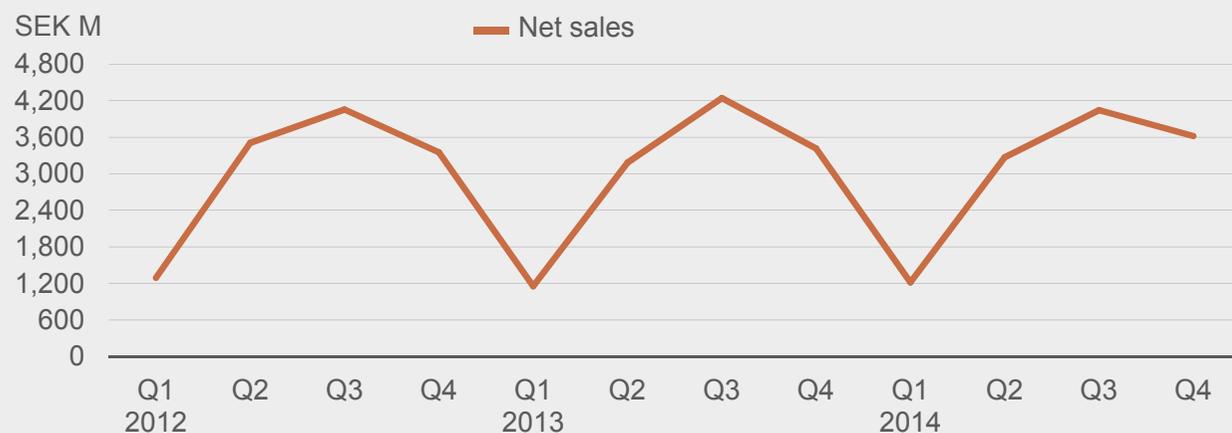


Organizational change in St. Petersburg

- Construction operations in St. Petersburg transferred to NCC Housing
- Financial reporting is being changed effective January 1, 2015
- In 2014, the construction operations in St. Petersburg accounted for 6 percent of NCC Construction Finland's sales

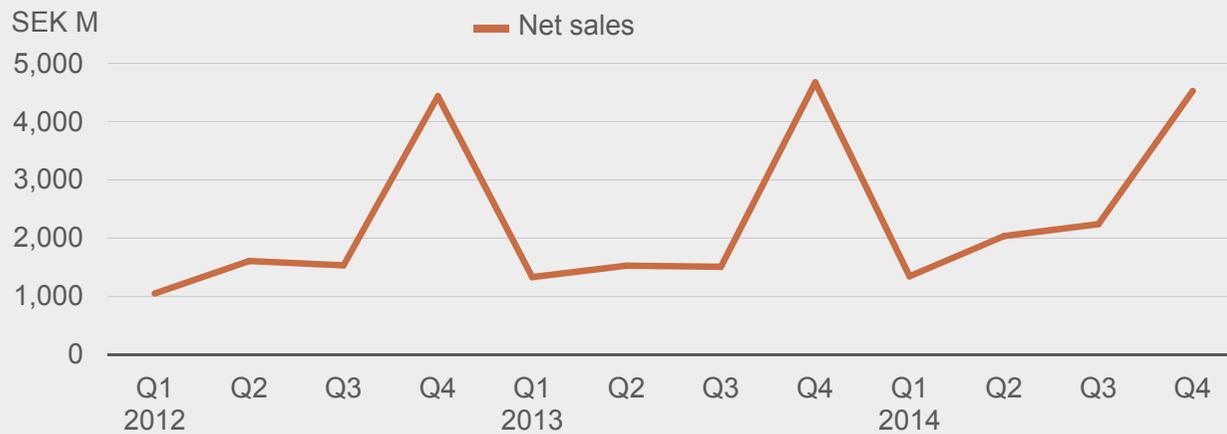


NCC Roads



NCC Spuma

NCC Housing



Lanzendorfer Weg, Berlin

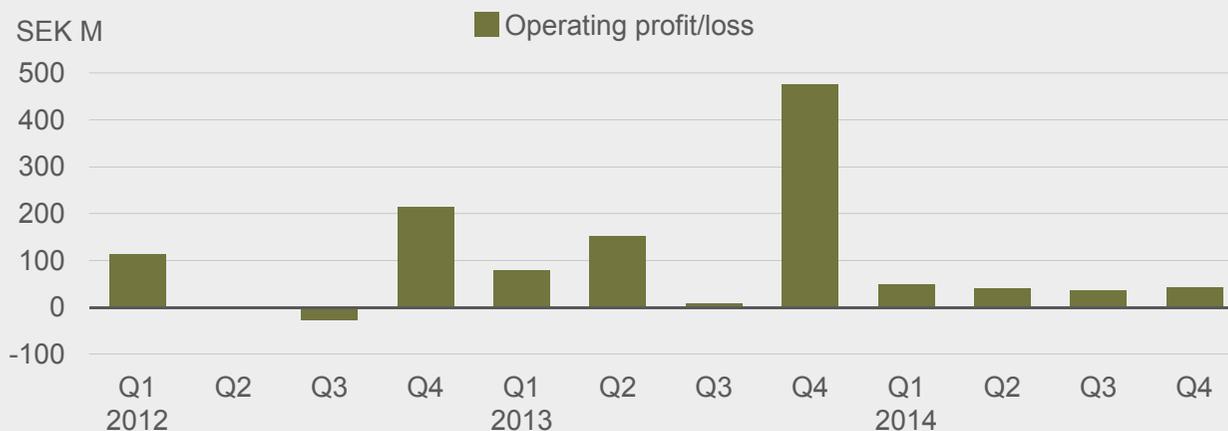
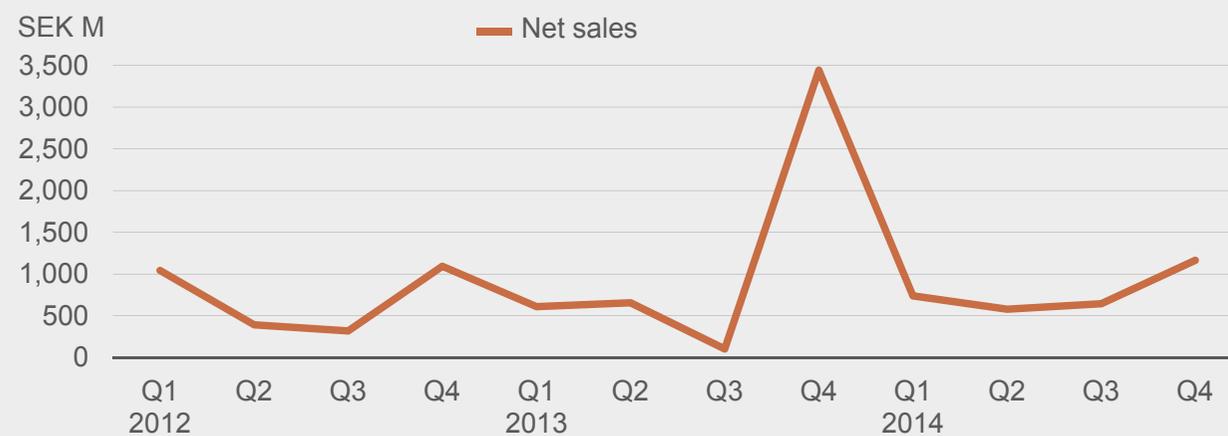
Housing units recognized for profit

Number of housing units	Oct.-Dec. 2014	Oct.-Dec. 2013
Sweden	147	267
Denmark	125	21
Finland	360	388
Baltic countries	103	45
St. Petersburg	477	228
Norway	10	9
Germany	506	496
Total, private customers	1,728	1,454
Investor packages	708	511
Total	2,436	1,965



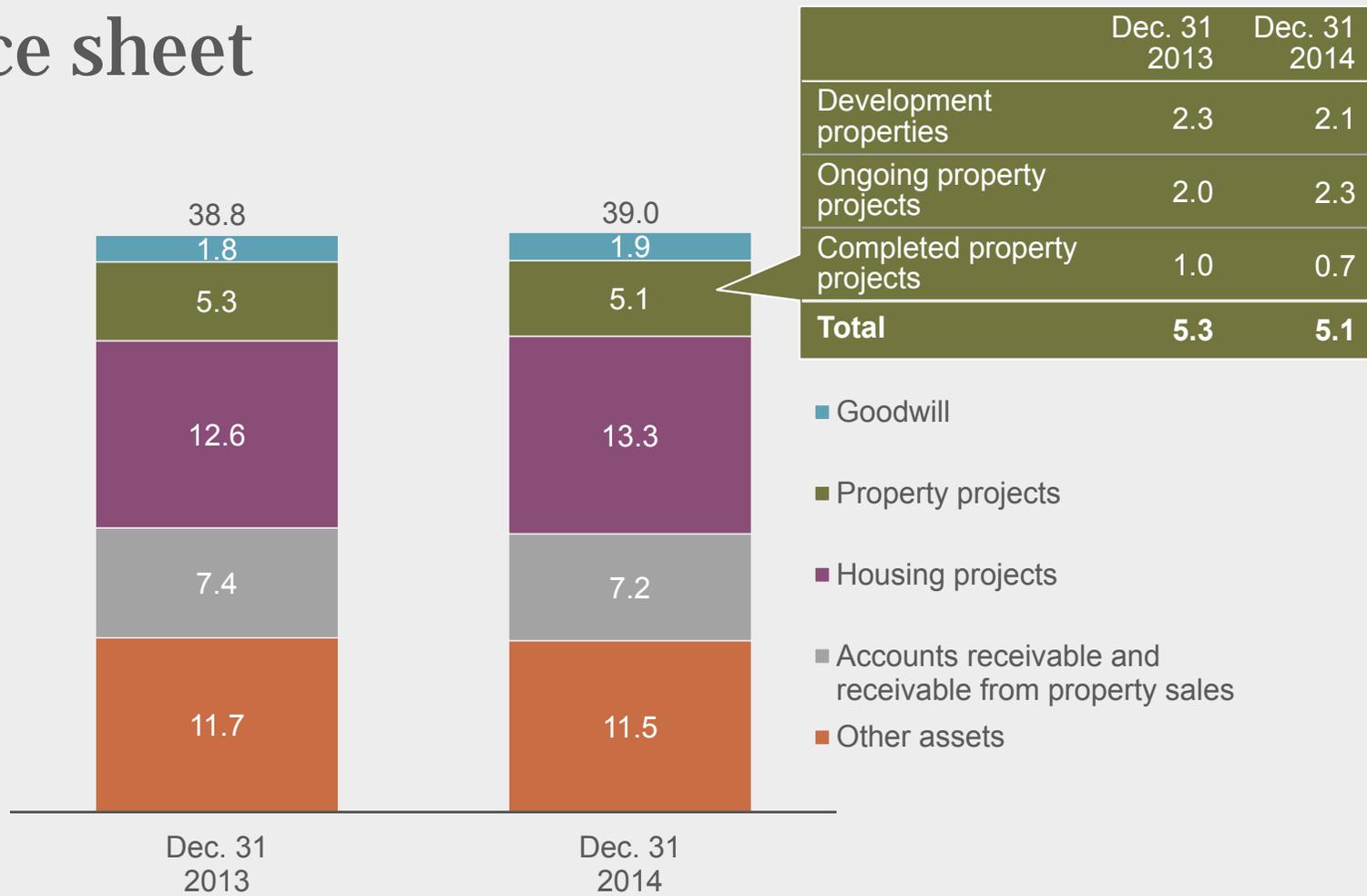
Balder, Höganäs

NCC Property Development



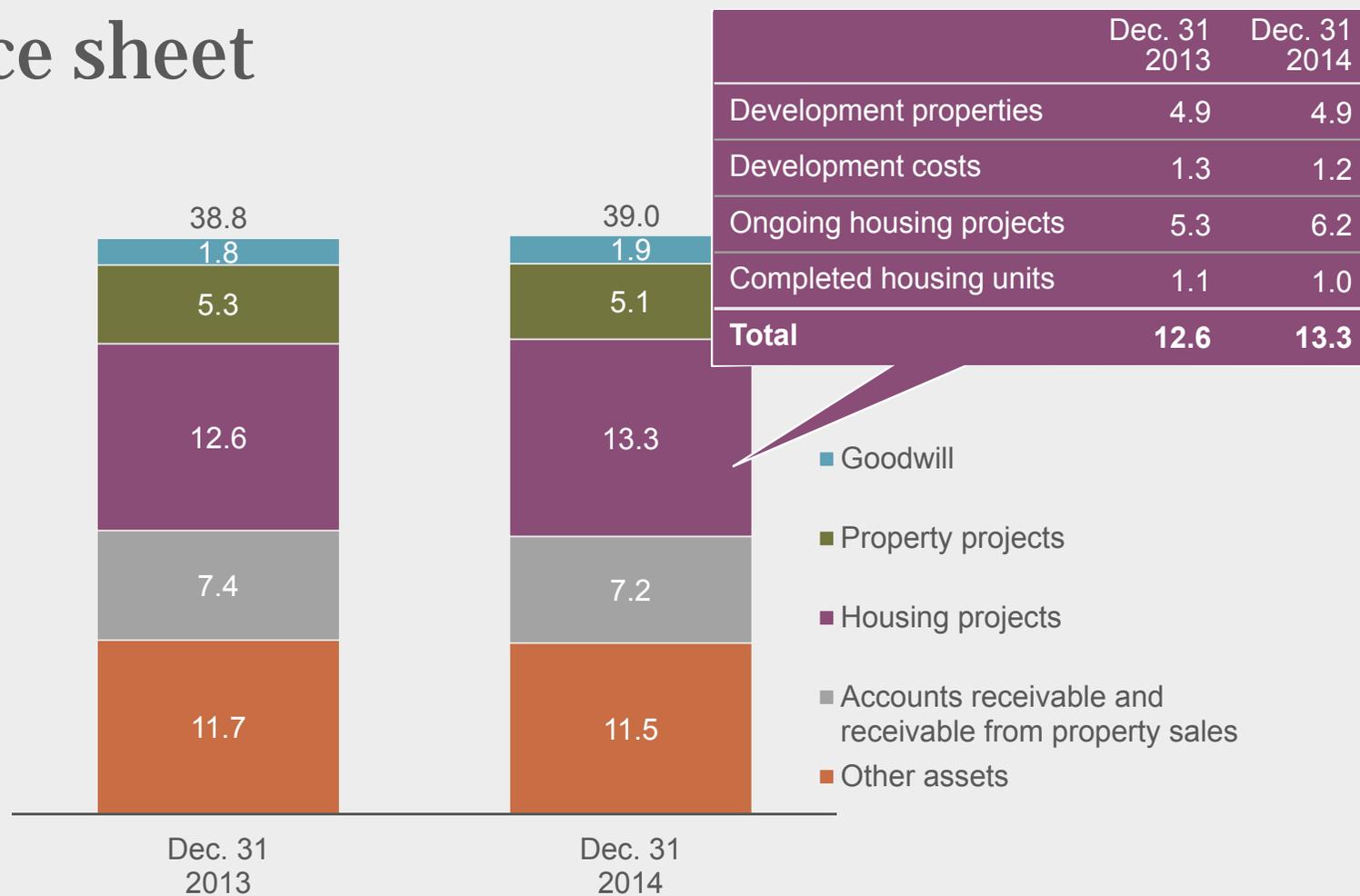
Balance sheet

SEK BN



Balance sheet

SEK BN



Cash flow

SEK M	Oct.-Dec. 2014	Oct.-Dec. 2013	Jan.-Dec. 2014	Jan.-Dec. 2013
From operating activities	1,427	1,631	2,273	2,321
From property projects	481	1,604	145	280
From housing projects	1,060	1,200	-761	-845
Other working capital	634	88	-313	775
Investing activities	-175	-283	-771	-870
Cash flow before financing	3,428	4,240	574	1,661

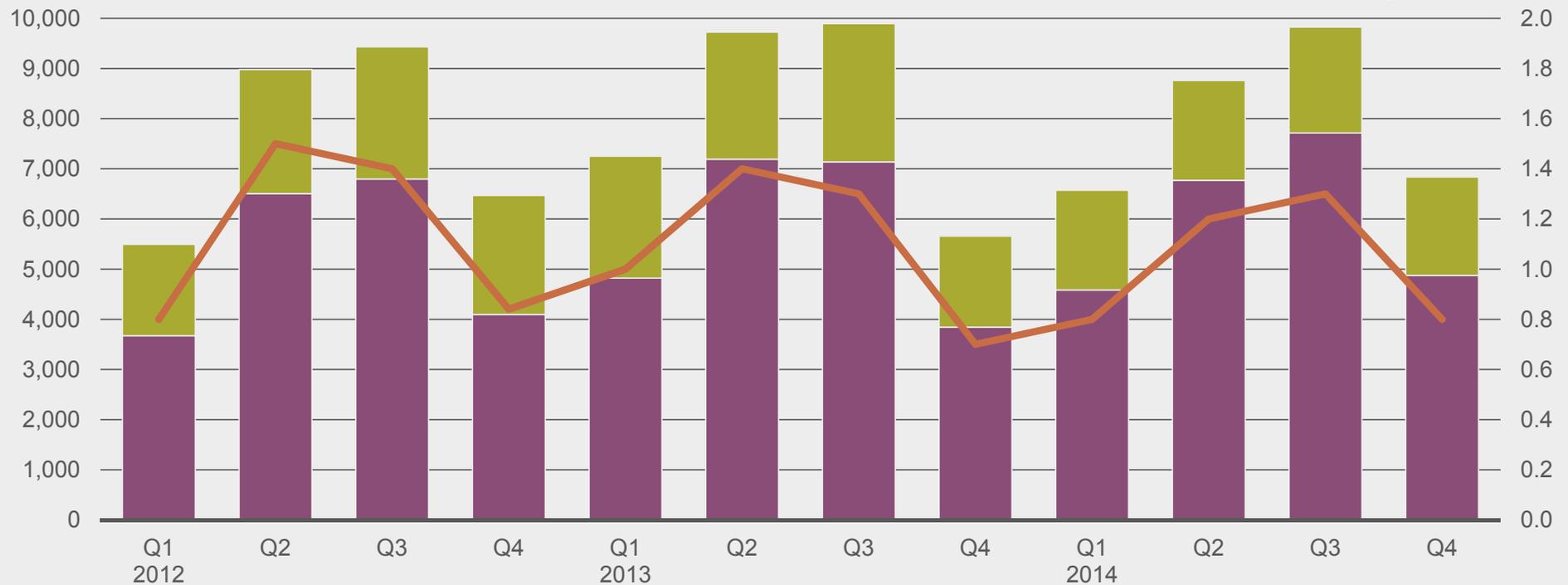


Net indebtedness

Net indebtedness, tenant housing and housing associations, SEK M ■

Net indebtedness excl. tenant housing and housing associations, SEK M ■

— Debt/equity ratio, times



New Revolving Credit Facility of EUR 400 million

- Replaces an existing EUR 325 million Revolving Credit Facility
- The tenor is five years with two one year extension options





Summary 2014

- Improved earnings, sales and starts in NCC Housing
- High orders received in construction business and improved margins
- Strong order backlog
- Improved result in NCC Roads
- Lower result for NCC Property development
- Good foundation for 2015





Contact information

IR Manager

Johan Bergman

Tel: +46 (0)8-585 523 53, +46 (0)70-354 80 35

johan.bergman@ncc.se

Chief Financial Officer

Ann-Sofie Danielsson

Tel: +46 (0)8-585 517 17, +46 (0)70-674 07 20

ann-sofie.danielsson@ncc.se