

Year-end report

January 1 – December 31, 2015

October 1 – December 31, 2015

- Orders received SEK 20,379 M (18,469)
- Net sales SEK 22,412 M (18,760)
- Profit after financial items SEK 1,562 M (1,017)
- Profit after tax for the period SEK 1,241 M (878)
- Earnings per share SEK 11.47 (8.13)

January 1 – December 31, 2015

- Orders received SEK 62,506 M (61,379)
- Net sales SEK 62,495 M (56,867)
- Profit after financial items SEK 2,656 M (2,234)
- Profit after tax for the period SEK 2,120 M (1,838)
- Earnings per share SEK 19.59 (17.01)
- The Board of Directors proposes a distribution of NCC Housing to NCC's shareholders, by means of a "Lex Asea" dividend. In addition, a cash dividend of SEK 3.00 per share is proposed for the 2015 fiscal year (see page 22)

SEK M	2015	2014	2015	2014
	Oct.-Dec.	Oct.-Dec.	Jan.-Dec.	Jan.-Dec.
Orders received	20,379	18,469	62,506	61,379
Net sales	22,412	18,760	62,495	56,867
Operating profit/loss	1,650	1,101	3,039	2,604
Profit/loss after financial items	1,562	1,017	2,656	2,234
Net profit/loss for the period	1,241	878	2,120	1,838
Profit/loss per share after dilution, SEK	11.47	8.13	19.59	17.01
Cashflow before financing	4,405	3,428	3,331	574
Return on shareholders' equity after tax, %			26	22
Debt/equity ratio, times	0.5	0.8	0.5	0.8
Net indebtedness	4,552	6,836	4,552	6,836



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Comments from CEO Peter Wågström

A strong close summarizes a good 2015. Earnings for both the quarter and the full-year were the best ever for NCC.

Profit after financial items for the fourth quarter rose to SEK 1,562 M (1,017) primarily as a result of excellent results from our housing development business.

Operating profit for full-year 2015 increased to SEK 3,039 M (2,604). Profit after tax amounted to SEK 2,120 M (1,838) and the return on equity was 26 percent, which exceeded our financial target of 20 percent.

CONSTRUCTION OPERATIONS DEVELOPING IN THE RIGHT DIRECTION

Orders received were healthy for the quarter and slightly lower for the full year compared with the year-earlier period. Sales and margin improved for the quarter, but the Norwegian operations weighed heavy during the year. Margins for the Finnish and Swedish operations improved for 2015.

HIGHER EARNINGS FROM ASPHALT OPERATIONS

In our industrial operations, earnings from our asphalt operations increased for both the quarter and the year. However, the total earnings were lower due to lower earnings in our stone material operations. During the quarter, we closed facilities in our stone material operations in western Denmark, which resulted in nonrecurring costs of SEK 50 M.

RECORD RESULT FROM THE HOUSING DEVELOPMENT BUSINESS

Earnings in the fourth quarter doubled, year-on-year, and the margin strengthened. Earnings from sales to both private customers and investors improved and sales of land also contributed to the excellent results. Housing sales are healthy and we are continuing to start new housing projects. At the end of the quarter, we had 8,778 housing units under construction, generating a solid basis for 2016 and 2017.

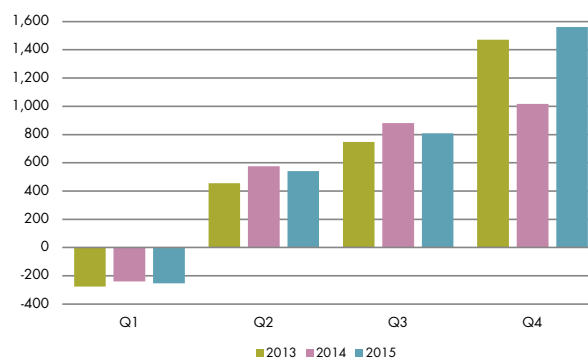
HIGH ACTIVITY IN THE PROPERTY DEVELOPMENT BUSINESS

During the fourth quarter, profits were recognized from three projects, three new projects were started, two projects were sold and leases were signed for 16,300 square meters. Earnings and the margin improved in the quarter. Full-year earnings doubled, year-on-year, primarily as a result of more profitable projects.

DEMERGER OF THE GROUP AND NEW STRATEGY

This is an exciting time for us. While we are summarizing a successful strategy period, we are in the middle of a process to adapt both the organization and work methods to the new strategy that we launched at the end of 2015.

PROFIT/LOSS AFTER FINANCIAL ITEMS, SEK M



We plan to spin off our housing development business, NCC Housing, to shareholders and simultaneously we reorganize NCC into four Nordic business areas, where the focus will be to increase our presence in such rapidly expanding segments as infrastructure and refurbishment.

We will distribute the part of the business that had the strongest growth in the Group over the past years. This decision was based on an extensive evaluation whereby we assessed that the growth potential is considerably larger for two separate companies than in a situation where the operations were to compete for resources in the same Group.

Peter Wågström, President and CEO
Solna, January 28, 2016



Group performance

MOST RECENT QUARTER, OCTOBER – DECEMBER 2015

ORDERS RECEIVED AND ORDER BACKLOG

Orders received amounted to SEK 20,379 M (18,469). NCC Housing started considerably more housing units primarily in Germany and Sweden. NCC Construction Sweden and NCC Construction Denmark reported higher orders received from its non-residential operations, while NCC Construction Finland reported higher orders received from its housing operations. NCC Roads also reported higher orders received in paving and road services. Orders received for NCC Construction Norway were lower in its civil engineering operations, since two major civil engineering projects were ordered in the year-earlier period. Changes in exchange rates increased orders received by SEK 13 M compared with the year-earlier period. The Group's order backlog amounted to SEK 56,588 M. Changes in exchange rates reduced the order backlog by SEK 736 M during the quarter.

NET SALES

Net sales amounted to SEK 22,412 M (18,760). The primary contributor here was high sales in NCC Housing. For NCC Construction Sweden, sales increased in the civil engineering and housing operations, while housing operations increased in NCC Construction Denmark. Net sales increased in NCC Property Development in Sweden through profit recognition of two projects and thanks to sales of land in Norway. Sales in NCC Construction Norway declined in the civil engineering and housing operations, while NCC Roads reported a decline in its asphalt operations. Changes in exchange rates reduced sales by SEK 269 M year-on-year.

OPERATING RESULTS

NCC's operating profit amounted to SEK 1,650 M (1,101). The increase was primarily due to record high earnings in NCC Housing, which profit recognized many housing units. NCC Property Development also reported higher earnings. NCC's Construction units reported a marginal increase in earnings. NCC Roads' stone materials operations reported lower results due to the restructuring and closure of facilities in western Denmark. Costs for NCC's reorganization were lower than expected and are estimated to total approximately SEK 120 M, of which approximately SEK 70 M was charged against earnings for the quarter and the remaining amount will be distributed throughout 2016. Earnings for the quarter were also impacted by a competition-infringement fee in Norway of SEK 82 M.

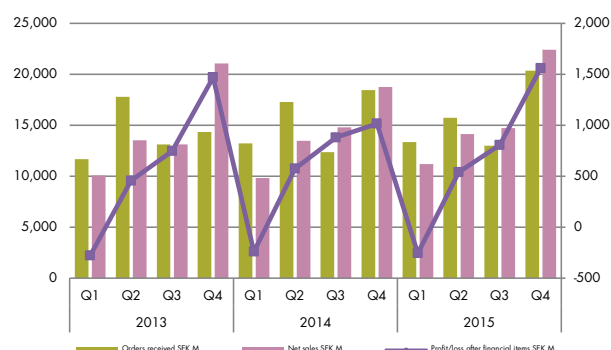
NET FINANCIAL ITEMS

Net financial items amounted to an expense of SEK 89 M (expense: 84). The decline was due to higher interest rates in Russia, while lower average net indebtedness had a positive impact.

CASH FLOW

Cash flow from operating activities totaled SEK 4,556 M (3,603). The improvement was attributable to higher earnings from both housing and property projects. Investments in both housing and property projects remained higher year-on-year. Other changes in working capital were essentially unchanged for the quarter. In the year-earlier period, other changes were more positive since the capital tied-up in accounts receivables declined considerably in the final quarter.

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

At December 31, net indebtedness amounted to SEK 4,552 M (6,836); refer also to Note 5 Specification of net indebtedness. The average maturity period for interest-bearing liabilities, excluding loans in Finnish housing companies and Swedish tenant-owner associations, as well as pension debt according to IAS 19, was 31 (34) months at the end of the quarter. NCC's unutilized committed lines of credit at the end of the quarter amounted to SEK 4.7 billion (4.8), with an average remaining maturity of 49 (52) months.

FULL-YEAR PERIOD, JANUARY – DECEMBER 2015

ORDERS RECEIVED AND ORDER BACKLOG

Orders received amounted to SEK 62,506 M (61,379). Higher orders received in NCC Roads, NCC Housing and NCC Construction Finland offset the lower orders received reported in the other business areas. In NCC Roads, orders received were higher in Road services and Asphalt, while NCC Housing increased mainly in Germany, Finland and Sweden. Orders received declined for NCC Construction Norway since several major civil engineering projects were ordered in the year-earlier period. Changes in exchange rates increased orders received by SEK 190 M, year-on-year. The order backlog increased to SEK 56,588 M at the end of the period. Changes in exchange rates reduced the order backlog by SEK 1,522 M.

NET SALES

Net sales amounted to SEK 62,495 M (56,867). NCC Housing increased sales in Sweden and NCC Construction Sweden increased sales in all categories of operations. NCC Construction Denmark and NCC Property Development posted higher net sales. Changes in exchange rates reduced sales by SEK 115 M year-on-year.

OPERATING RESULTS

NCC's operating profit amounted to SEK 3,039 M (2,604). The increase was primarily due to several housing units recognized in profit in NCC Housing and higher earnings

from projects in NCC Property Development. NCC Construction Norway's earnings were charged with project adjustments. NCC's other Construction units increased their earnings. NCC Roads' stone materials operations posted lower earnings.

NET FINANCIAL ITEMS

Net financial items amounted to an expense of SEK 383 M (expense: 370). A slight increase in net indebtedness and higher interest rates in Russia, year-on-year, had a negative impact on the financial net. Lower credit margins had a positive impact on net financial items.

CASH FLOW

Cash flow from operating activities improved during the period compared with 2014 as a result of strong earnings, higher cash flow from sold housing units and slightly improved cash flow from other changes in working capital. Higher sales of housing projects during the year facilitated more starts, thus increasing investments by the same rate. Cash flow also developed positively in property projects during the year. Adjustments for non-cash items essentially comprised depreciation/amortization and exchange-rate differences.

NET INDEBTEDNESS

At December 31, net indebtedness amounted to SEK 4,552 M (6,836); refer also to Note 5 Specification of net indebtedness.

NET INDEBTEDNESS

SEK M	2015		2014	
	Oct.-Dec.	Jan.-Dec.	Oct.-Dec.	Jan.-Dec.
Net indebtedness, opening balance	-9,130	-9,823	-6,836	-5,656
Cash flow before financing	4,405	3,428	3,331	574
Change of provisions for pensions	820	206	247	460
Paid dividend	-647	-647	-1,294	-1,294
Net indebtedness, closing balance	-4,552	-6,836	-4,552	-6,836

ORDERS RECEIVED AND ORDER BACKLOG

SEK M	Orders received				Order backlog	
	2015		2014		2015	
	Oct.-Dec.	Jan.-Dec.	Oct.-Dec.	Jan.-Dec.	Dec. 31	Dec. 31
NCC Construction Sweden	7,928	6,974	23,663	24,899	20,440	20,321
NCC Construction Denmark	1,862	1,752	4,529	5,587	5,228	6,056
NCC Construction Finland	2,289	1,488	6,797	5,169	5,490	4,504
NCC Construction Norway	834	3,790	4,445	7,653	5,100	7,258
NCC Roads	3,036	2,108	13,000	10,526	5,552	4,608
NCC Housing	6,208	3,844	14,906	12,518	19,302	16,878
Total	22,158	19,955	67,341	66,352	61,113	59,625
Other items and eliminations	-1,779	-1,486	-4,835	-4,972	-4,524	-4,848
Group	20,379	18,469	62,506	61,379	56,588	54,777
<i>of which</i>						
<i>proprietary housing projects to private customers</i>	5,073	3,278	12,737	11,295	17,637	15,026
<i>proprietary property development projects</i>	340	130	1,090	1,996	1,432	1,847

NET SALES AND OPERATING PROFIT

SEK M	Net sales				Operating profit			
	2015		2014		2015		2014	
	Oct.-Dec.	Jan.-Dec.	Oct.-Dec.	Jan.-Dec.	Oct.-Dec.	Jan.-Dec.	Oct.-Dec.	Jan.-Dec.
NCC Construction Sweden	7,054	6,594	23,452	20,788	279	263	743	640
NCC Construction Denmark	1,641	1,390	5,160	4,330	104	99	321	281
NCC Construction Finland	1,688	1,664	5,644	6,105	62	28	159	111
NCC Construction Norway	1,639	1,989	6,114	6,733	24	44	-41	146
NCC Roads	3,467	3,620	11,795	12,153	126	186	349	459
NCC Housing	7,313	4,564	13,069	10,226	998	493	1,368	949
NCC Property Development	1,477	1,164	3,427	3,125	201	43	423	169
Total	24,280	20,986	68,661	63,460	1,794	1,156	3,321	2,755
Other items and eliminations	-1,869	-2,225	-6,166	-6,593	-144	-55	-282	-151
Group	22,412	18,760	62,495	56,867	1,650	1,101	3,039	2,604

The comparative figures are proforma with adjustments because housing production in Russia and the Baltic countries was transferred from NCC Construction Finland to NCC Housing.

NCC's Construction units

MARKET PERFORMANCE

Demand in the Swedish construction market is favorable in all segments. In Norway, infrastructure investments are contributing to an expanding civil engineering market. The Finnish market remained weak. In Denmark, growth was primarily noted in the metropolitan regions of Copenhagen and Aarhus in housing and other buildings segments, in both new builds and refurbishment.

MOST RECENT QUARTER, OCTOBER – DECEMBER 2015

ORDERS RECEIVED AND ORDER BACKLOG

Orders received by all of NCC's Construction units totaled SEK 12,913 M (14,004). Orders received declined in civil engineering and housing operations, while increasing in non-residential operations. The total order backlog increased SEK 505 M during the quarter to SEK 36,258 M.

NET SALES

Sales for NCC's Construction units totaled SEK 12,023 M (11,637). Net sales were higher year-on-year in Sweden, Denmark and Finland, but lower in Norway. In Sweden, sales increased in civil engineering and housing operations, while housing operations increased in Denmark and Finland. Sales in Norway declined in housing and civil engineering operations.

OPERATING RESULTS

Operating profit for all of NCC's Construction units totaled SEK 469 M (433). The Construction units in Sweden, Finland and Denmark delivered higher

earnings. Earnings from the Swedish operations were impacted positively by higher net sales and improved project margins. In Finland, the project margin also improved, while earnings in Denmark improved through higher net sales. In Norway, earnings were lower due to declines in net sales and project margins.

FULL-YEAR PERIOD, JANUARY – DECEMBER 2015

ORDERS RECEIVED AND ORDER BACKLOG

Orders received by all of NCC's Construction units totaled SEK 39,434 M (43,307). Orders received declined compared with the high levels of 2014 mainly in civil engineering operations but also in the housing and non-residential operations.

NET SALES

Sales in the Construction units totaled SEK 40,370 M (37,956). In Sweden, all operational categories grew. In Denmark, the growth was in the housing operations. In Finland, sales declines were shown in all operational categories and in Norway in non-residential and housing operations.

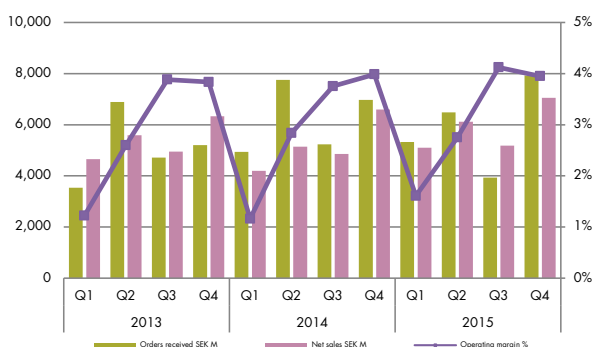
OPERATING RESULTS

In total, operating profit amounted to SEK 1,182 M (1,179). Increased net sales contributed to improved earnings for NCC's Construction units in Sweden and Denmark. Operating profit in Finland increased thanks to higher project margins. In Norway, earnings were lower due to declines in net sales and project adjustments.

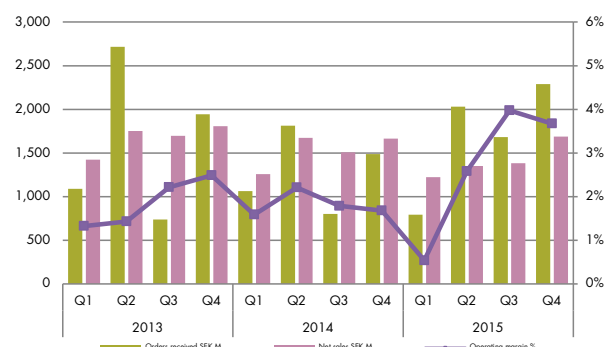
SEK M	2015 Oct.-Dec.	2014 Oct.-Dec.	2015 Jan.-Dec.	2014 Jan.-Dec.
NCC Construction Sweden				
Orders received	7,928	6,974	23,663	24,899
Order backlog	20,440	20,321	20,440	20,321
Net sales	7,054	6,594	23,452	20,788
Operating profit/loss	279	263	743	640
Operating margin, %	4.0	4.0	3.2	3.1
NCC Construction Denmark				
Orders received	1,862	1,752	4,529	5,587
Order backlog	5,228	6,056	5,228	6,056
Net sales	1,641	1,390	5,160	4,330
Operating profit/loss	104	99	321	281
Operating margin, %	6.4	7.1	6.2	6.5
NCC Construction Finland				
Orders received	2,289	1,488	6,797	5,169
Order backlog	5,490	4,504	5,490	4,504
Net sales	1,688	1,664	5,644	6,105
Operating profit/loss	62	28	159	111
Operating margin, %	3.7	1.7	2.8	1.8
NCC Construction Norway				
Orders received	834	3,790	4,445	7,653
Order backlog	5,100	7,258	5,100	7,258
Net sales	1,639	1,989	6,114	6,733
Operating profit/loss	24	44	-41	146
Operating margin, %	1.5	2.2	-0.7	2.2
Total Construction				
Orders received	12,913	14,004	39,434	43,307
Order backlog	36,258	38,139	36,258	38,139
Net sales	12,023	11,637	40,370	37,956
Operating profit/loss	469	433	1,182	1,179
Operating margin, %	3.9	3.7	2.9	3.1

The comparative figures are pro-forma with adjustments because housing production in Russia and the Baltic countries was transferred from NCC Construction Finland to NCC Housing

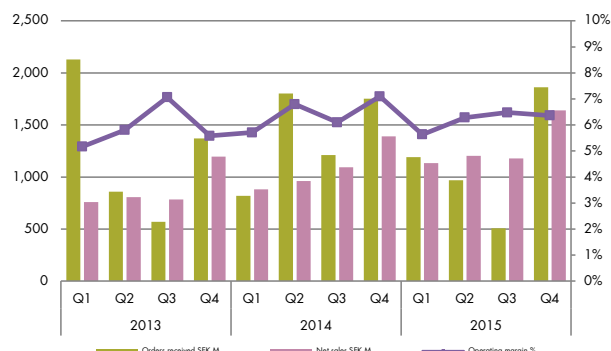
NCC CONSTRUCTION SWEDEN



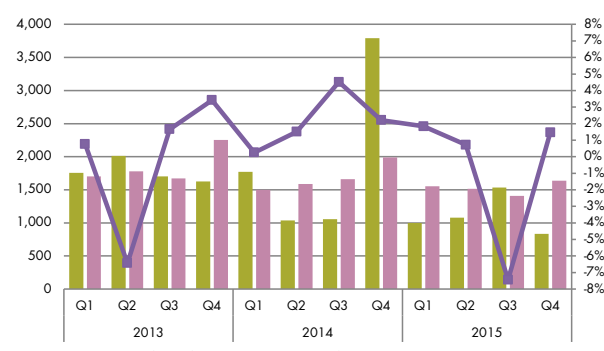
NCC CONSTRUCTION FINLAND



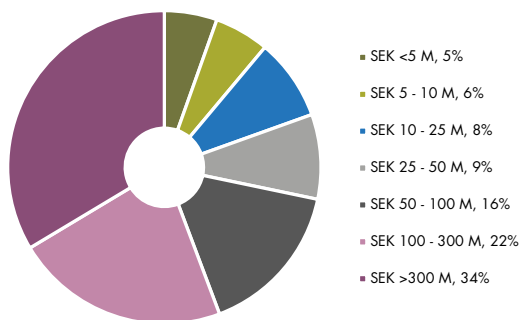
NCC CONSTRUCTION DENMARK



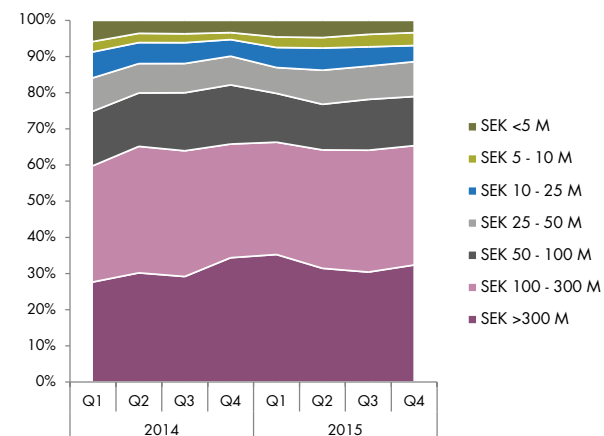
NCC CONSTRUCTION NORWAY



ORDERS RECEIVED BY PROJECT SIZE DURING THE FOURTH QUARTER FOR NCC'S CONSTRUCTION UNITS



ORDER BACKLOG BY PROJECT SIZE FOR NCC'S CONSTRUCTION UNITS



ORDERS RECEIVED AND ORDER BACKLOG BY OPERATIONAL CATEGORY

SEK M	Orders received				Order backlog	
	2015 Oct.-Dec.	2014 Oct.-Dec.	2015 Jan.-Dec.	2014 Jan.-Dec.	2015 Dec. 31	2014 Dec. 31
Civil engineering	3,311	6,299	12,384	15,620	10,266	12,541
Residential	4,013	4,064	11,976	12,415	13,149	11,496
Non-residential	5,556	3,789	14,996	15,306	13,542	13,503
Other items ¹⁾	32	-148	79	-34	-700	598
Total	12,913	14,004	39,434	43,307	36,258	38,139

1) From 2015, eliminations are included in the business category.

NCC Roads

MARKET PERFORMANCE

Demand for asphalt is healthy and was positively impacted during the quarter by mild weather in Denmark and Sweden. The stone materials market is benefitting from a high level of activity in construction operations and demand for stone materials was favorable. Demand for road services is stable, but the market is characterized by intense competition.

MOST RECENT QUARTER, OCTOBER – DECEMBER 2015

NET SALES

Sales amounted to SEK 3,467 M (3,620). Lower prices for bitumen resulted in lower net sales despite the volumes of asphalt sold being on par with the year-earlier period. Net sales for the stone materials and road operations matched the year-earlier level.

OPERATING RESULTS

Operating profit amounted to SEK 126 M (186). Close-down and restructuring costs of SEK 50 M for unprofitable units in western Denmark generated lower earnings from the stone materials operations. During the full year, the operations in western Denmark posted low profitability due to a weak market and high production costs for such material as sea stone. The asphalt operations reported strong earnings for the quarter thanks to a long paving season in Denmark and Sweden, and contracts with improved margins in Norway. Sales of road services increased year-on-year. Of NCC's reorganization costs of SEK 70 M in the quarter, SEK 31 M was charged against earnings for NCC Roads.

CAPITAL EMPLOYED

For seasonal reasons, capital employed declined during the quarter to SEK 3.6 billion.

FULL-YEAR PERIOD, JANUARY – DECEMBER 2015

NET SALES

Sales amounted to SEK 11,795 M (12,153). Sales were unchanged for stone materials but lower for asphalt due to lower bitumen prices, while sales of road services were lower due to fewer road services contracts.

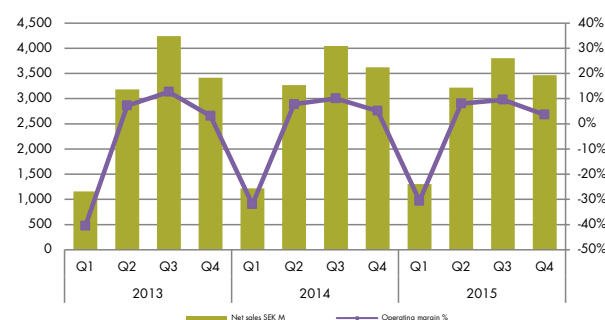
OPERATING RESULTS

Operating profit amounted to SEK 349 M (459). Earnings from both asphalt and road services were higher year-on-year but earnings in the stone material operations were weak, due to among other the restructuring costs and closure of unprofitable units in western Denmark. The recycling business that is under construction posted higher expenses than revenues during the year.

CAPITAL EMPLOYED

Capital employed was unchanged compared with the year-earlier period and amounted to SEK 3.6 billion.

QUARTERLY DATA



SEK M	2015	2014	2015	2014
	Oct.-Dec.	Oct.-Dec.	Jan.-Dec.	Jan.-Dec.
NCC Roads				
Orders received	3,036	2,108	13,000	10,526
Order backlog	5,552	4,608	5,552	4,608
Net sales	3,467	3,620	11,795	12,153
Operating profit/loss	126	186	349	459
Operating margin, %	3.6	5.1	3.0	3.8
Capital employed			3,623	3,619
Aggregates, tons ¹⁾	7,285	7,650	27,506	28,272
Asphalt and paving, tons ¹⁾	1,585	1,572	6,139	6,216

¹⁾ Sold volume

NCC Housing

MARKET PERFORMANCE

In Germany, demand is healthy with rising prices. In Sweden, prices leveled out but demand is favorable. Demand is weaker in Finland, but small and affordable housing units are in demand in the investor market and among private customers. There are major local variations in Norway. Although demand is favorable in St. Petersburg, purchasing decisions take longer. Demand for housing remains favorable in Copenhagen.

MOST RECENT QUARTER, OCTOBER – DECEMBER 2015

HOUSING SALES AND CONSTRUCTION STARTS

A total of 1,354 (1,479) housing units were sold to private customers and 945 (774) to the investor market. Housing sales to private customers declined in St. Petersburg, Sweden and Denmark because NCC has fewer housing units for sale. In Finland and Germany, sales to private customers and the investor market increased. Most construction starts for private customers occurred in Germany, Sweden and Finland. Construction started on a total of 1,904 (1,266) housing units to private customers and 945 (774) housing units to the investor market. Construction starts for the investor market mainly occurred in Finland and Germany, where demand remains high.

NET SALES

Net sales increased year-on-year and totaled SEK 7,313 M (4,564). More housing units for private customers were completed and recognized in profit, particularly in St. Petersburg and Sweden. Profit recognition for sales to the investor market increased primarily in Germany. During the quarter, 2,187 (1,728) housing units for private customers and 987 (708) housing units for the investor market were recognized in profit. The average price per housing unit increased year-on-year due to a higher proportion of housing units in the market with higher prices in Denmark and Sweden.

OPERATING RESULTS

Operating profit amounted to SEK 998 M (493). Earnings were higher year-on-year, primarily because of a higher volume of housing units recognized in profit with higher margins to both private customers and investors. Earnings from sales of land amounted to SEK 115 M (55). The creation of an independent NCC Housing generated costs of SEK 57 M in the quarter.

CAPITAL EMPLOYED

Capital employed declined during the quarter due to the large number of housing units recognized in profit and totaled SEK 9.8 billion.

FULL-YEAR PERIOD, JANUARY – DECEMBER 2015

HOUSING SALES AND CONSTRUCTION STARTS

A total of 4,542 (4,575) housing units were sold to private customers and 1,773 (1,472) to the investor market. Housing sales to private customers increased in Germany, Sweden, Norway and Finland. During the period, construction started on a total of 4,452 (4,503) housing units for private customers and 1,904 (1,445) units for the investor market.

NET SALES

Net sales increased year-on-year due to a higher volume of housing units being recognized in profit and a higher average price per unit for housing units handed over and recognized in profit for private customers. During the year, 3,968 (3,661) housing units for private customers and 1,768 (1,393) units for the investor market were recognized in profit.

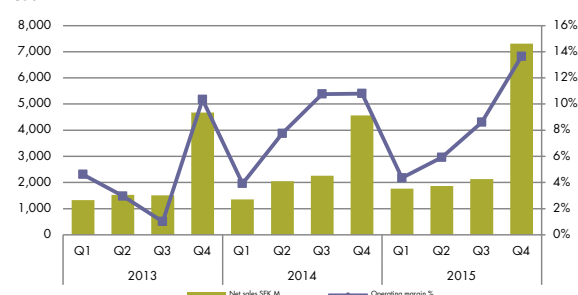
OPERATING RESULTS

Operating profit amounted to SEK 1,368 M (949). Earnings were higher than in the year-earlier period because of increased earnings from sales to both private customers and investors. Earnings from sales of land amounted to SEK 220 M (100). The creation of an independent NCC Housing generated costs of SEK 57 M.

CAPITAL EMPLOYED

Capital employed totaled SEK 9.8 billion, a year-on-year decline of SEK 0.7 billion, due to lower capital tied up in land.

QUARTERLY DATA



SEK M	2015		2014	
	Oct.-Dec.	Oct.-Dec.	Jan.-Dec.	Jan.-Dec.
NCC Housing				
Orders received	6,208	3,844	14,906	12,518
Order backlog	19,302	16,878	19,302	16,878
Net sales	7,313	4,564	13,069	10,226
Operating profit/loss	998	493	1,368	949
Operating margin, %	13.6	10.8	10.5	9.3
Capital employed			9,811	10,557

The comparative figures are pro-forma with adjustments because housing production in Russia and the Baltic countries was transferred from NCC Construction Finland to NCC Housing.

HOUSING DEVELOPMENT

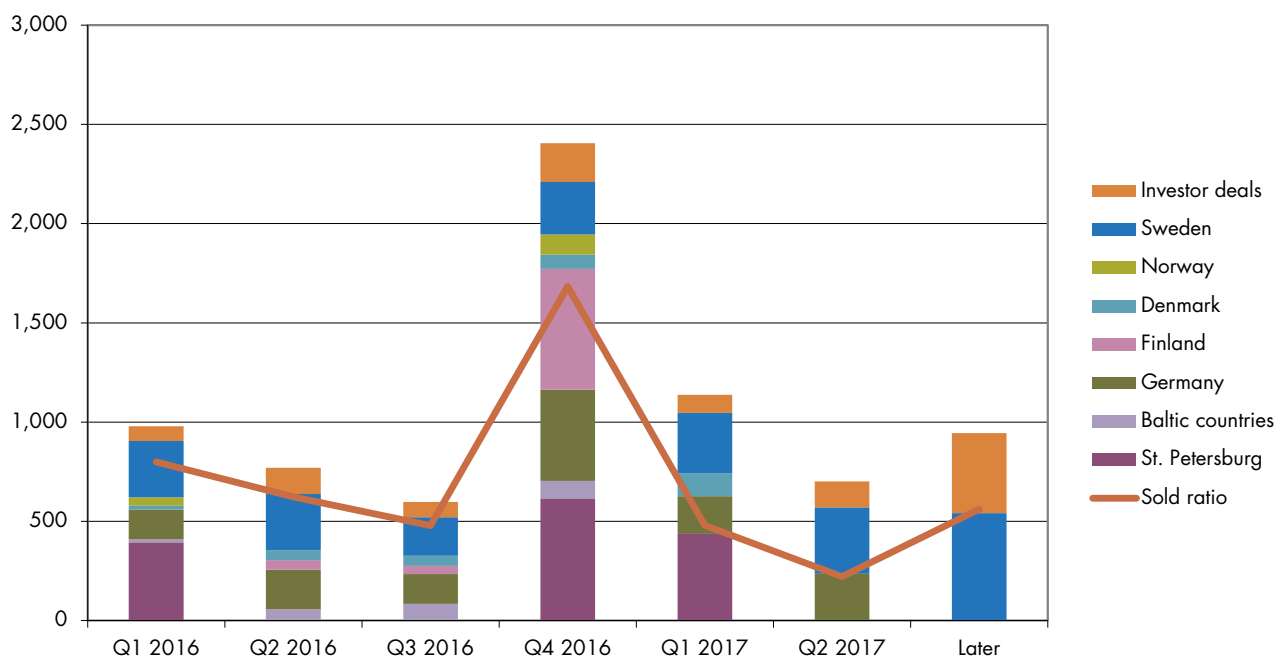
	Group			
	Oct.-Dec. 2015	Oct.-Dec. 2014	Jan.-Dec. 2015	Jan.-Dec. 2014
Building rights, end of period	29,100	31,300	29,100	31,300
Of which development rights on options	11,000	9,800	11,000	9,800
Housing development to private customers				
Profit-recognized housing units, during the period	2,187	1,728	3,968	3,661
Housing starts, during the period	1,904	1,266	4,452	4,503
Housing units sold, during the period	1,354	1,479	4,542	4,575
Housing units under construction, end of period	6,432	5,952	6,432	5,952
Sales rate units under construction, end of period %	60	58	60	58
Reservation rate units under construction, end of period %	6	12	6	12
Completion rate units under construction, end of period %	46	45	46	45
Completed, not profit recognized housing units, end of period ¹⁾	429	438	429	438
Housing units for sale (ongoing and completed), at end of period	2,713	2,812	2,713	2,812
Housing development to the investor market				
Profit-recognized housing units, during the period	987	708	1,768	1,393
Housing starts, during the period	945	774	1,904	1,445
Housing units sold, during the period	945	774	1,773	1,472
Housing units under construction, end of period ²⁾	2,346	1,735	2,346	1,735
Sales rate units under construction, end of period %	94	100	94	100
Completion rate units under construction, end of period %	69	65	69	65
Completed, not profit recognized housing units, end of period	0	0	0	0
Housing units for sale (ongoing and completed), at end of period ³⁾	131	0	131	0

1) Of the completed, not profit recognized housing units by the end of the period 273 (124) were sold.

2) Of the total number of housing units under construction to the investor market, 2,346 (1,735), 1,242 (767) has already been profit-recognized and 1,104 (968) remains to be profit-recognized.

3) Rental apartments for NCC:s newly established investment company Allemanshem AB, 131 (0).

A full table per market is available on ncc.se.



The diagram shows the estimated completion schedule for housing units for private customers and the investor market that are not yet recognized in profit. The curve shows the proportion of sold units. Sold units are recognized in profit on the handover date.

NCC Property Development

MARKET PERFORMANCE

In Sweden, demand in the leasing market is favorable, vacancy rates are declining and the interest shown by investors is high. In Copenhagen, vacancy rates declined slightly but leasing is taking more time. Vacancy rates in Oslo are rising, which is exerting pressure on rent levels. In Helsinki, demand in the leasing market is weak, particularly in the segment comprising older office properties, but we are beginning to see positive signs of stabilization.

MOST RECENT QUARTER, OCTOBER – DECEMBER 2015

PROPERTY PROJECTS

Three project sales were recognized in profit during the quarter: the Ullevi Park 4 office project and the Hälsobrunnen logistics project in Sweden, and the Alberga D office project in Finland. Leases for 16,300 square meters (11,400) were signed during the period.

Construction started on three new projects during the quarter; the Tornby 2 shopping area and the Önskebrunnen 2 logistics project in Sweden, and the Zenit 2 office project in Denmark.

At the end of the quarter, 14 (17) projects were either ongoing or completed but not yet recognized in profit. Costs incurred in all projects totaled SEK 2.6 billion (3.0), corresponding to a completion rate of 55 (56) percent. The leasing rate was 73 (63) percent. The operating net for the quarter was SEK 19 M (22).

The Hyllie and Torsplan 2 office projects in Sweden were sold during the quarter and will be recognized in profit in the second quarter of 2016 and the first quarter of 2017, respectively. For information on future profit recognition of projects, refer to the table on the following page.

NET SALES

Net sales were higher year-on-year and the projects recognized in profit accounted for the highest proportion of sales. One project was recognized in profit in the year-earlier period.

OPERATING RESULTS

Operating profit amounted to SEK 201 M (43). During the quarter, three (one) projects were recognized in profit. Earnings from previous sales and sales of land also contributed to profit.

CAPITAL EMPLOYED

Capital employed declined SEK 0.6 billion during the quarter to SEK 4.5 billion, mainly due to project sales.

FULL-YEAR PERIOD, JANUARY – DECEMBER 2015

PROPERTY PROJECTS

In total, eight (seven) projects were recognized in profit; four in Denmark, two in Sweden, one in Finland and one in Norway. Leases for 73,100 (71,100) square meters were signed during the period.

NET SALES

Net sales amounted to SEK 3,427 M (3,125). The projects recognized in profit in Sweden, Denmark and Norway accounted for the highest proportion of net sales during the period.

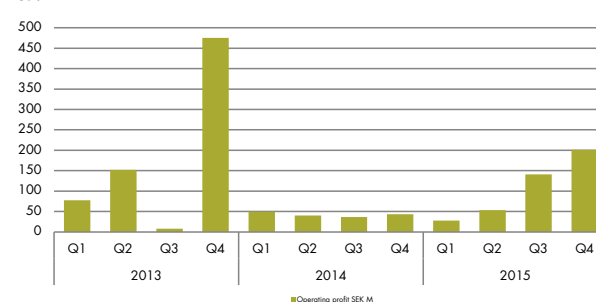
OPERATING RESULTS

Operating profit amounted to SEK 423 M (169). Eight projects were recognized in profit during the year. Seven projects were recognized in profit in the year-earlier period. Earnings from previous sales and sales of land also contributed to profit. The operating net for the year was SEK 85 M (68).

CAPITAL EMPLOYED

Capital employed declined SEK 0.3 billion to SEK 4.5 billion compared with the end of the preceding year.

QUARTERLY DATA



SEK M	2015 Oct.-Dec.	2014 Oct.-Dec.	2015 Jan.-Dec.	2014 Jan.-Dec.
NCC Property Development				
Net sales	1,477	1,164	3,427	3,125
Operating profit/loss	201	43	423	169
Capital employed			4,532	4,784

PROPERTY DEVELOPMENT PROJECTS AT DECEMBER 31, 2015 ¹⁾**Ongoing Property development projects**

Project	Type	Location	Sold, estimated recognition in profit	Comple- tion ratio, %	Lettable area (sqm)	Letting ratio, %
Zenit 2	Office	Aarhus		37	3,600	0
Total Denmark				37	3,600	0
Aitio 1 Vivaldi	Office	Helsinki		97	6,100	99
Aitio 2 Verdi	Office	Helsinki		62	5,000	61
Matinkylä ²⁾	Retail	Espoo		76	12,700	71
Total Finland				77	23,800	75
Hyllie	Office	Malmö	Q2 2016	79	7,300	98
Mölndal Galleria	Retail	Mölndal	³⁾	22	24,500	34
The SCA House	Office	Mölndal	Q4 2016	54	24,400	100
Torsplan 2	Office	Stockholm	Q1 2017	61	22,700	94
Tornby 2	Retail	Linköping		3	9,500	48
Önskebrunnen	Logistics	Upplands-Bro		0	13,800	0
Total Sweden				44	102,200	71
Total				52	129,600	71

Completed Property development projects

Project	Type	Location	Sold, estimated recognition in profit	Lettable area (sqm)	Letting ratio, %
Kolding Retailpark	Retail	Kolding		4,600	42
Roskildevej	Retail	Taastrup		4,000	100
Viborg Retail II+III	Retail	Viborg		900	0
Total Denmark				9,500	64
Stavanger Business Park 1	Office	Stavanger		9,200	100
Total Norway				9,200	100
Total				18,700	88

- 1) The table refers to ongoing or completed property projects that have not yet been recognized in profit. In addition to these projects, NCC also focuses on rental (rental guarantees / additional purchase) in seven previously sold and profit recognized property projects, a maximum of approximately SEK 80 M.
- 2) The project covers approximately 25,000 square meters of leasable area and is implemented together with Citycon, a Finnish listed real estate company, in a jointly owned company. The data in the table refer to NCC's share of the project.
- 3) The project is operated by a project company jointly owned by NCC and Citycon, 50 percent each. Citycon will acquire NCC's share when the building is completed and the agreed conditions are fulfilled.

Consolidated income statement

SEK M	Note 1	2015	2014	2015	2014
		Oct.-Dec.	Oct.-Dec.	Jan.-Dec.	Jan.-Dec.
Net sales		22,412	18,760	62,495	56,867
Production costs	Note 2,3	-19,653	-16,761	-56,009	-51,176
Gross profit		2,759	1,999	6,486	5,691
Selling and administrative expenses	Note 2	-1,052	-923	-3,405	-3,117
Other operating income/expenses	Note 3	-57	24	-42	31
Operating profit/loss		1,650	1,101	3,039	2,604
Financial income		16	12	50	46
Financial expense		-105	-96	-433	-416
Net financial items		-89	-84	-383	-370
Profit/loss after financial items		1,562	1,017	2,656	2,234
Tax		-320	-140	-536	-396
Net profit/loss for the period		1,241	878	2,120	1,838
Attributable to:					
NCC's shareholders		1,238	877	2,113	1,835
Non-controlling interests		3	1	6	3
Net profit/loss for the period		1,241	878	2,120	1,838
Earnings per share					
<i>Before dilution</i>					
Net profit/loss for the period, SEK		11.47	8.13	19.59	17.01
<i>After dilution</i>					
Net profit/loss for the period, SEK		11.47	8.13	19.59	17.01
Number of shares, millions					
Total number of issued shares		108.4	108.4	108.4	108.4
Average number of shares outstanding before dilution during the period		107.9	107.8	107.9	107.8
Average number of shares after dilution		107.9	107.8	107.9	107.8
Number of shares outstanding before dilution at the end of the period		107.9	107.8	107.9	107.8

Consolidated statement of comprehensive income

SEK M	Note 1	2015	2014	2015	2014
		Oct.-Dec.	Oct.-Dec.	Jan.-Dec.	Jan.-Dec.
Net profit/loss for the period		1,241	878	2,120	1,838
Items that have been recycled or should be recycled to net profit/loss for the period					
Exchange differences on translating foreign operations		-140	23	-222	138
Change in hedging/fair value reserve		50	-36	76	-85
Cash flow hedges		-3	-21	1	-60
Income tax relating to items that have been or should be recycled to net profit/loss for the period		-10	12	-17	32
		-104	-22	-162	24
Items that cannot be recycled to net profit/loss for the period					
Revaluation of defined benefit pension plans		810	194	267	-497
Income tax relating to items that cannot be recycled to net profit/loss for the period		-178	-43	-59	109
		632	151	208	-388
Other comprehensive income		528	129	46	-364
Total comprehensive income		1,769	1,007	2,166	1,474
Attributable to:					
NCC's shareholders		1,766	1,006	2,159	1,471
Non-controlling interests		3	1	6	3
Total comprehensive income		1,769	1,007	2,166	1,474

Consolidated balance sheet

SEK M	Note 1	2015 Dec. 31	2014 Dec. 31
ASSETS			
<i>Fixed assets</i>			
Goodwill		1,792	1,865
Other intangible assets		439	389
Owner-occupied properties		826	774
Machinery and equipment		2,417	2,487
Other long-term holdings of securities		201	208
Long-term receivables		557	434
Deferred tax assets		204	237
Total fixed assets		6,435	6,395
<i>Current assets</i>			
Property projects	Note 4	4,430	5,059
Housing projects	Note 4	12,288	13,246
Materials and inventories		696	746
Tax receivables		33	35
Accounts receivable		7,083	7,178
Worked-up, non-invoiced revenues		1,400	1,066
Prepaid expenses and accrued income		1,262	1,415
Other receivables		1,407	1,013
Short-term investments ¹⁾		190	242
Cash and cash equivalents		4,177	2,592
Total current assets		32,967	32,592
TOTAL ASSETS		39,402	38,987
EQUITY			
Share capital		867	867
Other capital contributions		1,844	1,844
Reserves		-344	-182
Profit/loss brought forward, including current-year profit/loss		7,324	6,318
Shareholders' equity		9,691	8,847
Non-controlling interests		23	20
Total shareholders' equity		9,714	8,867
LIABILITIES			
<i>Long-term liabilities</i>			
Long-term interest-bearing liabilities		5,887	6,957
Other long-term liabilities		609	548
Provisions for pensions and similar obligations		338	585
Deferred tax liabilities		322	268
Other provisions		1,970	2,017
Total long-term liabilities		9,126	10,376
<i>Current liabilities</i>			
Current interest-bearing liabilities		3,154	2,526
Accounts payable		4,694	3,960
Tax liabilities		287	117
Invoiced revenues not worked-up		4,244	4,408
Accrued expenses and prepaid income		4,012	3,952
Provisions		59	
Other current liabilities		4,112	4,782
Total current liabilities		20,562	19,745
Total liabilities		29,688	30,120
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		39,402	38,987
ASSETS PLEDGED		1,257	1,510
CONTINGENT LIABILITIES		831	2,037

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

Condensed changes in shareholders' equity, Group

SEK M	Dec. 31, 2015			Dec. 31, 2014		
	Shareholders' equity	Non-controlling interests	Total shareholders' equity	Shareholders' equity	Non-controlling interests	Total shareholders' equity
Opening balance, January 1st	8,847	20	8,867	8,658	17	8,675
Total comprehensive income	2,159	6	2,166	1,471	3	1,474
Acquisition of non-controlling interests	-9	-2	-11			
Dividends	-1,294	-1	-1,295	-1,294	-1	-1,295
Acquisition/sale of treasury shares	-18		-18			
Performance based incentive program	7		7	12		12
Closing balance	9,691	23	9,714	8,847	20	8,867

If previous accounting policies for pensions under IAS 19 had been applied, the equity would have been SEK 1,436 M higher and net debt SEK 338 M lower at December 31st 2015.

Consolidated cash flow statement, condensed

SEK M	2015		2014	
	Oct.-Dec.	Oct.-Dec.	Jan.-Dec.	Jan.-Dec.
OPERATING ACTIVITIES				
Profit/loss after financial items	1,562	1,017	2,656	2,234
Adjustments for items not included in cash flow	689	421	1,160	406
Taxes paid	-46	-11	-379	-367
Cash flow from operating activities before changes in working capital	2,204	1,427	3,436	2,273
Cash flow from changes in working capital				
Divestment of property projects	1,167	939	2,529	2,400
Gross investments in property projects	-684	-458	-1,858	-2,255
Divestment of housing projects	5,059	3,830	9,900	8,951
Gross investments in housing projects	-3,172	-2,770	-9,725	-9,712
Other changes in working capital	-18	634	-222	-313
Cash flow from changes in working capital	2,352	2,176	624	-928
Cash flow from operating activities	4,556	3,603	4,061	1,345
INVESTING ACTIVITIES				
Sale of building and land	8	22	9	25
Increase (↓) from investing activities	-158	-197	-738	-796
Cash flow from investing activities	-150	-175	-730	-771
CASH FLOW BEFORE FINANCING	4,405	3,428	3,331	574
FINANCING ACTIVITIES				
Cash flow from financing activities	-1,838	-1,610	-1,713	-1,515
CASH FLOW DURING THE PERIOD	2,567	1,818	1,618	-941
Cash and cash equivalents at beginning of period	1,629	789	2,592	3,548
Effects of exchange rate changes on cash and cash equivalents	-19	-14	-32	-14
CASH AND CASH EQUIVALENTS AT END OF PERIOD	4,177	2,592	4,177	2,592
Short-term investments due later than three months	190	242	190	242
Total liquid assets	4,367	2,833	4,367	2,833

Notes

NOTE 1 ACCOUNTING POLICIES

This year-end report has been compiled pursuant to IAS 34 Interim Financial Reporting. The year-end report 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 dividend to shareholders will be recognized in connection with the Annual General Meeting's resolution and entered as a liability until payment.

In other respects, the year-end report has been prepared pursuant to the same accounting policies and methods of calculation as the 2014 Annual Report (Note 1, pages 70-76).

NOTE 2. DEPRECIATION/AMORTIZATION

SEK M	2015	2014	2015	2014
	Oct.-Dec.	Oct.-Dec.	Jan.-Dec.	Jan.-Dec.
Other intangible assets	-26	-15	-83	-44
Owner-occupied properties	-7	-7	-28	-26
Machinery and equipment	-165	-165	-649	-638
Total depreciation	-199	-187	-759	-708

NOTE 3. IMPAIRMENT LOSSES

SEK M	2015	2014	2015	2014
	Oct.-Dec.	Oct.-Dec.	Jan.-Dec.	Jan.-Dec.
Housing projects			-2	
Property projects	-4		-4	-4
Owner-occupied properties			-1	
Machinery and equipment	-30		-31	
Other intangible assets	-8		-8	
Total impairment expenses	-43	1	-46	-5

Impairment losses in housing projects and property projects are recognized in operation profit/loss.

NOTE 4. SPECIFICATION OF PROPERTY PROJECTS AND HOUSING PROJECTS

SEK M	2015	2014
	Dec. 31	Dec. 31
Properties held for future development	2,050	2,064
Ongoing property projects	2,013	2,256
Completed property projects	367	740
Total property projects	4,430	5,059
Properties held for future development	3,749	4,872
Capitalized developing costs	969	1,177
Ongoing proprietary housing projects	6,987	6,234
Unsold completed housing units	583	964
Total housing projects	12,288	13,246

NOTE 5. SPECIFICATION OF NET INDEBTEDNESS

SEK M	2015 Dec. 31	2014 Dec. 31
Long-term interest-bearing receivables	354	235
Current interest-bearing receivables	296	406
Cash and bank balances	4,177	2,592
Total interest-bearing receivables, cash and cash equivalents	4,827	3,232
Long-term interest-bearing liabilities	5,887	6,957
Pensions and similar obligations	338	585
Current interest-bearing liabilities	3,154	2,526
Total interest-bearing liabilities	9,379	10,068
Net indebtedness	4,552	6,836
<i>whereof net debt in ongoing projects in Swedish tenant-owners' associations and Finnish housing companies</i>		
Interest-bearing liabilities	3,147	2,056
Cash and bank balances	90	93
Net indebtedness	3,056	1,963

NOTE 6. SEGMENT REPORTING

SEK M	NCC Construction				NCC Roads	NCC Housing	NCC Property Development	Segment total	Other items and eliminations ¹⁾	Group
	Sweden	Denmark	Finland	Norway						
January - December 2015										
Net sales, external	20,103	4,516	4,628	5,818	11,001	13,069	3,360	62,495		62,495
Net sales, internal	3,348	644	1,015	296	794		68	6,166	-6,166	
Net sales, total	23,452	5,160	5,644	6,114	11,795	13,069	3,427	68,661	-6,166	62,495
Operating profit	743	321	159	-41	349	1,368	423	3,321	-282	3,039
Net financial items										-383
Profit/loss after financial items										2,656
	NCC Construction									
October - December 2015										
Net sales, external	6,025	1,393	1,394	1,602	3,225	7,313	1,460	22,412		22,412
Net sales, internal	1,029	249	295	37	242	1	17	1,869	-1,869	
Net sales, total	7,054	1,641	1,688	1,639	3,467	7,313	1,477	24,280	-1,869	22,412
Operating profit	279	104	62	24	126	998	201	1,794	-144	1,650
Net financial items										-89
Profit/loss after financial items										1,562
	NCC Construction									
January - December 2014										
Net sales, external	18,408	3,488	4,137	6,181	11,370	10,224	3,058	56,867		56,867
Net sales, internal	2,379	842	1,968	552	783	2	68	6,593	-6,593	
Net sales, total	20,788	4,330	6,105	6,733	12,153	10,226	3,125	63,460	-6,593	56,867
Operating profit	640	281	111	146	459	949	169	2,755	-151	2,604
Net financial items										-370
Profit/loss after financial items										2,234
	NCC Construction									
October - December 2014										
Net sales, external	5,707	1,186	1,136	1,809	3,212	4,564	1,147	18,760		18,760
Net sales, internal	887	204	528	180	409		17	2,225	-2,225	
Net sales, total	6,594	1,390	1,664	1,989	3,620	4,564	1,164	20,986	-2,225	18,760
Operating profit	263	99	28	44	186	493	43	1,156	-55	1,101
Net financial items										-84
Profit/loss after financial items										1,017

1) The figures for the full year include 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 363 M (expense: 231). This includes a competition-infringement fee in Norway of SEK 82 M. Eliminations of internal profits amount to an income of SEK 29 M (expense: 13) and other Group adjustments, mainly consisting of differences of accounting policy between the segments and the Group (including pensions) amount to an income of SEK 52 M (income: 93).

2) The quarter 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 216 M (expense: 68). This includes a competition-infringement fee in Norway of SEK 82 M. Furthermore elimination of internal profits are included, an income of SEK 56 M (income: 8) and other Group adjustments, mainly consisting of differences of accounting policy between the segments and the Group (including pensions), an income of SEK 15 M (income: 6).

The comparative figures are pro-forma with adjustments made because housing production in Russia and the Baltic countries has been transferred from NCC Construction Finland to NCC Housing.

NOTE 7. FAIR VALUE OF FINANCIAL INSTRUMENTS

In the tables below, disclosures are made concerning how fair value has been determined for the financial instruments that are continuously measured at fair value in NCC's balance sheet. When determining fair value, assets have been divided into the following three levels. No transfers have been made between the levels during the period.

In level 1, measurement is in accordance with prices quoted on an active market for the same instruments.

Derivatives in level 2 comprise currency forward contracts, cross-currency swaps, interest-rate swaps, oil futures, as well as electricity futures used for hedging purposes. The measurement to fair value for currency-forward contracts, cross currency swaps, interest-rate swaps, oil futures, as well as electricity futures is based on published forward rates in an active market. The measurement of interest-rate swaps is based on forward interest rates prepared based on observable yield curves. NCC has no financial instruments in level 3.

SEK M	Dec. 31, 2015			Dec. 31, 2014		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Financial assets measured at fair value through profit and loss						
Securities held for trading	119		119	115		115
Derivative instruments		419	419		417	417
Derivative instruments used for hedge accounting		42	42		27	27
Total assets	119	461	580	115	444	559
Financial liabilities measured at fair value through profit and loss						
Derivative instruments		34	34		118	118
Derivative instruments used for hedge accounting		123	123		141	141
Total liabilities	0	157	157	0	259	259

In the tables below, disclosures are made concerning fair value for the financial instruments that are not recognized at fair value.

SEK M	Dec. 31, 2015		Dec. 31, 2014	
	Carrying amount	Fair value	Carrying amount	Fair value
Long-term holdings of securities held to maturity	104	106	115	119
Short-term investments held to maturity	71	72	127	128
Long-term interest-bearing liabilities	5,887	5,917	6,957	7,059
Current interest-bearing liabilities	3,154	3,165	2,526	2,531

For financial instruments recognized at amortized cost, accounts receivables, other receivables, cash and cash equivalents, accounts payable and other interest-free liabilities, the fair value is deemed to match the carrying amount.

Parent Company

MOST RECENT QUARTER, OCTOBER – DECEMBER 2015

The commission relationship between NCC AB and NCC Boende AB was discontinued on December 1, 2015. Accordingly, the Parent Company comprises the full-year operations of NCC AB and NCC Construction Sverige AB (which continues to conduct its operation on a commission basis on behalf of NCC AB), as well as 11 months of commission activities in NCC Boende AB on behalf of NCC AB. Net sales for the Parent Company amounted to SEK 2,486 (1,463). Profit after financial items totaled SEK 107 M (loss: 213). Profit for the Parent Company for the quarter was charged with SEK 105 M due to the verdict in the Norwegian asphalt case. During the quarter, NOK 150 M was paid to the Competition Authority in Norway. The quarter was also charged with restructuring costs.

FULL-YEAR PERIOD, JANUARY – DECEMBER 2015

Net sales for the Parent Company amounted to SEK 20,340 M (19,614). Profit after financial items amounted to SEK 1,511 M (1,338). In the Parent Company, profit is recognized when projects are completed.

Dividends were paid to shareholders on two occasions, March 31 and October 30, a total of SEK 1,294 M. Cash and cash equivalents were redistributed between short-term investments and bank balances due to the prevailing interest-rate situation. Repayment of SEK 200 M was made to the reloaning to the Pension Foundation. A shareholders' contribution of SEK 5 billion was paid to HoldCo Residential 1 AB.

The average number of employees was 6,559 (6,610).

Parent Company income statement

SEK M	Note 1	2015	2014	2015	2014
		Oct.-Dec.	Oct.-Dec.	Jan.-Dec.	Jan.-Dec.
Net sales		2,486	1,463	20,340	19,614
Production costs		-1,945	-1,402	-18,227	-17,728
Gross profit		541	61	2,113	1,886
Selling and administrative expenses		-336	-298	-1,426	-1,304
Operating profit		205	-237	688	582
<i>Result from financial investment</i>					
Result from participations in Group companies		-92	82	901	962
Result from participations in associated companies			22		22
Result from other financial fixed assets			1	1	1
Result from financial current assets		6	12	30	89
Interest expense and similar items		-13	-93	-107	-318
Result after financial items		107	-213	1,511	1,338
Appropriations		144	684	144	684
Tax on net profit for the period		-105	-113	-244	-245
Net profit for the period		146	357	1,411	1,777

Parent Company statement of comprehensive income

SEK M	Note 1	2015	2014	2015	2014
		Oct.-Dec.	Oct.-Dec.	Jan.-Dec.	Jan.-Dec.
Net profit for the period		146	357	1,411	1,777
Total comprehensive income during the year		146	357	1,411	1,777

Parent Company balance sheet, condensed

SEK M	Note 1	2015 Dec. 31	2014 Dec. 31
ASSETS			
Intangible fixed assets		184	175
Tangible fixed assets		105	103
Financial fixed assets		9,745	6,422
Total fixed assets		10,034	6,700
Housing projects			225
Materials and inventories		45	59
Current receivables		5,407	5,791
Short term investments			6,400
Cash and bank balances		8,817	1,938
Total current assets		14,269	14,412
TOTAL ASSETS		24,303	21,112
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity		8,037	7,931
Untaxed reserves		441	348
Provisions		526	617
Long term liabilities		2,573	2,790
Current liabilities		12,726	9,425
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		24,303	21,112
Contingent liabilities		24,784	23,833

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

NOTE 1 ACCOUNTING POLICIES

The Parent Company has prepared its year-end 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 year-end report for the Parent Company has been prepared in accordance with the same accounting policies and methods of calculation as the 2014 Annual Report (Note 1, pages 70-76).

Significant risks and uncertainties

GROUP

An account of the risks to which NCC may be exposed is presented in the 2014 Annual Report (pages 56-58). 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, the FastPartner Group, NCC's subsidiaries, as well as associated companies and joint ventures. Related-company sales during the October-December quarter amounted to SEK 22 M (9) and purchases to SEK 144 M (216). For the full-year period, sales amounted to SEK 61 M (17) and purchases to SEK 499 M (494).

Information to shareholders

REPURCHASE OF SHARES

NCC AB holds 568,054 Series B treasury shares to meet its obligations pursuant to long-term incentive programs.

Other significant events

MAJOR ORDERS REGISTERED IN THE QUARTER

NCC is to carry out the extensive refurbishment of 493 houses in Albertslund in Denmark on behalf of Albertslund Boligselskab. The order value is SEK 610 M.

NCC has been commissioned by HSB to build 158 apartments in Uppsala city center that will form the Brf Hamnen tenant-owner association. The order is valued at just over SEK 340 M.

NCC has been commissioned by the Hovedstaden region of Denmark to participate in the construction of New Herlev Hospital, northwest of Copenhagen. NCC will be responsible for concrete, steel, earth and groundworks. The order value is SEK 350 M.

NCC has been commissioned to build a new combined school, research, and hospital building in Turku for University Properties of Finland. The order value is SEK 560 M.

NCC has been commissioned to construct the new Högland Hospital in Eksjö on behalf of Regionfastigheter in Jönköping County. The order is worth SEK 625 M.

Västfastigheter has commissioned NCC to build a new, modern children's hospital directly adjacent to the Queen Silvia Children's Hospital in Gothenburg. The order is valued at approximately SEK 1 billion.

NCC has been commissioned to expand Södersjukhuset Hospital in Stockholm. The order is valued at approximately SEK 1 billion, of which about SEK 300 M will be registered in Q4, 2015.

MAJOR PROPERTY SALES IN THE QUARTER

NCC sold a housing project in Berlin, Germany, to the pension fund of the German investor Bewag for SEK 150 M. The project comprises two apartment blocks with a total of 94 rental apartments.

NCC sold the Torsplan 2 office property in Hagastaden, Stockholm, and simultaneously signed a contract to acquire an office property in Solna Business Park. The counterparty in the transaction is Fastighets AB Brostaden. The sale of Torsplan 2 will be carried out in the form of a company transaction at a value of some SEK 1.6 billion. The acquisition in Solna encompasses about 35,000-40,000 square meters of office development rights and is conditional upon approval of a new detailed development plan. The sale of Torsplan 2 will have a positive impact on earnings in the first quarter of 2017 in the NCC Property Development business area.

NCC sold a share of the Sonnengarten property project to Industria Wohnen for approximately SEK 515 M. The

project, developed and built between 1999 and 2002, comprises 362 completed rental apartments, 13 commercial units and 169 parking spaces. In 2006, NCC entered a sale and leaseback agreement for the properties included in the project. This structure has now been dissolved through this transaction and NCC's share of the property-owning company has been sold to the German investment company Industria Wohnen.

NCC sold part of the Limhamns läge urban-development area in Malmö to MKB Fastighets AB for SEK 254 M. The transaction includes about 550 development rights.

NCC sold an office property in Hyllie in Malmö for about SEK 330 M. The buyer is the property company Briggen. The sale will have a positive impact on earnings in the second quarter of 2016 in the NCC Property Development business area.

NCC sold a Berlin property project to the property company Industria Wohnen for SEK 375 M. The project comprises 223 housing units in three apartment blocks that are currently under development. The project will be completed, handed over and recognized in profit for NCC Housing in the fourth quarter of 2017.

NCC has sold part of the largest development area in Västerås, the Förseglet 1 property on Öster Mälarstrand in Västerås, to the municipal housing company Mimer for SEK 200 M. The transaction will be recognized as profit for the NCC Housing business area in the fourth quarter of 2015.

NEW CFO

Mattias Lundgren took up office as the new CFO of NCC on January 1, 2016 when the current CFO Ann-Sofie Danielsson became the CFO of NCC Housing ahead of a planned spin-off of Housing. Mattias Lundgren most recently worked as the Head of Business Control at the Group, with responsibilities including mergers & acquisitions and strategy at NCC. Prior to that, he was President of NCC Housing Sweden. Mattias Lundgren also has extensive experience from various positions at NCC in business development, mergers & acquisitions and as business controller at Group level. Mattias Lundgren has been employed by NCC since 1998. He has a Master of Science in business and economics from Stockholm School of Economics.

ASPHALT CASE IN NORWAY CONCLUDED

The Supreme Court of Norway has ruled to declare the appeal inadmissible in the asphalt case relating to illicit collaboration in Trøndelag during the period from 2005 to 2008. The case has thus been closed. The ruling implies that NCC will be required to pay a competition-infringement fee of SEK 150 M. NCC has previously posted a provision. The remaining amount of SEK 82 M was charged against NCC's earnings for the fourth quarter of 2015.

Proposed dividend

On November 26, 2015, NCC announced that the company is planning to spin off NCC Housing instead of paying a cash dividend. Thereafter, earnings and cash flow performed well and the Board has accordingly decided to amend the previous decision and propose in addition to the spin-off of NCC Housing also a cash dividend of SEK 3.00 per share.

The Board of Directors therefore proposes that the Annual General Meeting on April 12, 2016 resolves to spin off the housing development company to NCC's shareholders. The spin-off is intended to occur in proportion to the holding in NCC of each individual shareholder. Should the Annual General Meeting decide to adopt the Board's proposal, the new housing development company will be spun off and listed in 2016. Shares in the housing development company are planned for listing on Nasdaq Stockholm. In addition, a cash dividend of SEK 3.00 (12.00) per share is proposed for the 2015 fiscal year. The proposed record day for the dividend is November 7, 2016.

As of January 1, 2016, NCC Housing is being operated as an independent company in NCC. Following capital contributions from NCC, shareholders' equity in NCC Housing amounts to SEK 4.7 billion. The remaining capital employed of SEK 5.1 billion is being financed with interest-bearing liabilities, of which SEK 3.1 billion comprises loans to Swedish tenant-owner associations and Finnish housing companies.

An information brochure with more information about the proposed distribution and the operations of the housing development company will be made available prior to the Annual General Meeting (AGM).

Annual General Meeting

NCC's AGM will be held in Aula Medica, Nobels väg 6, Solna (Stockholm) on April 12, 2016. The Meeting will open at 4:30 p.m. A notice convening the AGM will be published in *Post- och Inrikes Tidningar*, and will be posted on NCC's website www.ncc.se on March 8. Confirmation of the notice convening the AGM will be announced in *Dagens Nyheter* and *Svenska Dagbladet* on the same date. Motions for resolution by the AGM 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 Nomination Committee

Ahead of the 2016 AGM, NCC's Nomination Committee comprises Viveca Ax:son Johnson (Chairman of the Board of Nordstjernan AB), Marianne Nilsson (Executive Vice President of Swedbank Robur AB), and Johan Strandberg (Analyst at SEB Fonder), with Viveca Ax:son Johnson as Chairman. Tomas Billing, Chairman of the NCC Board of

Directors, is a co-opted member of the Nomination Committee but has no voting right.

The Nomination Committee's proposals for the Board of Directors and auditors will be presented in a separate press release in the week commencing February 1, 2016 and other proposals will be presented in the notice convening the AGM.

Reporting occasions in 2016

Annual General Meeting	April 12, 2016
Interim report, Jan.-Mar. 2016	April 29, 2016
Interim report, Jan.-Jun. 2016	July 20, 2016
Interim report, Jan.-Sep. 2016	October 28, 2016

Signatures

Solna, January 28, 2016

Peter Wågström
President and CEO

This report is unaudited.

Reporting by geographical market

January - December

SEK M	Orders received		Order backlog		Net sales		EBIT		Average numbers of employees		Capital employed	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Sweden	33,406	32,023	28,909	26,429	32,104	26,946	1,650	1,252	9,786	9,517	9,064	8,349
Denmark	7,039	8,077	6,920	8,153	8,621	7,576	513	428	2,242	2,086	2,568	3,557
Finland	9,161	5,689	6,789	5,343	7,960	9,115	277	267	2,191	2,507	2,856	3,296
Norway	6,957	9,789	6,809	8,857	9,319	8,989	40	175	2,457	2,348	3,101	3,938
Germany	5,422	3,899	6,006	4,227	3,471	3,170	422	328	745	715	1,361	1,268
St. Petersburg	343	1,697	991	1,659	891	913	192	148	396	402	875	852
The Baltic countries	178	206	164	110	128	157	-54	7	55	78	230	397

Quarterly review

	2015	2015	2015	2015	2014	2014	2014	2014	2013
	Oct.-Dec.	Jul.-Sep.	Apr.-Jun.	Jan.-Mar.	Oct.-Dec.	Jul.-Sep.	Apr.-Jun.	Jan.-Mar.	Oct.-Dec.
Financial statements, SEK M									
Net sales	22,412	14,724	14,152	11,208	18,760	14,796	13,479	9,832	21,073
Operating profit/loss	1,650	900	649	-161	1,101	989	677	-162	1,547
Profit/loss after net financial items	1,562	808	541	-254	1,017	881	576	-239	1,472
Profit/loss for the period	1,238	645	433	-202	877	695	447	-185	1,229
Cash flow, SEK M									
Cash flow from operating activities	4,556	1,157	-824	-828	3,603	-447	-1,048	-763	4,523
Cash flow from investing activities	-150	-154	-255	-170	-175	-180	-219	-197	-283
Cash flow before financing	4,405	1,004	-1,079	-998	3,428	-627	-1,267	-960	4,240
Cash flow from financing activities	-1,838	-26	524	-373	-1,610	244	-211	61	-2,118
Net debt	4,552	9,130	9,725	8,754	6,836	9,823	8,760	6,572	5,656
Order status, SEK M									
Orders received	20,379	13,005	15,754	13,368	18,469	12,383	17,303	13,223	14,363
Order backlog	56,588	57,074	58,380	57,235	54,777	54,609	56,657	50,798	47,638
Personnel									
Average number of employees	18,880	17,265	16,490	15,699	17,669	17,093	16,489	15,245	18,360

Summary of key figures

	2015	2014	2015	2014	2013	2012 ⁷⁾	2012	2011	2010
	Oct.-Dec.	Oct.-Dec.	Jan.-Dec.	Jan.-Dec.	Jan.-Dec.	Jan.-Dec.	Jan.-Dec.	Jan.-Dec.	Jan.-Dec.
Profitability ratios									
Return on shareholders equity, % ¹⁾	26	22	26	22	26	28	23	17	20
Return on capital employed, % ¹⁾	17	14	17	14	15	17	15	16	19
Financial ratios at period-end									
Interest-coverage ratio, % ¹⁾	7.1	6.4	7.1	6.4	7.8	7.5	7.0	7.4	6.9
Equity/asset ratio, %	25	23	25	23	22	20	23	25	26
Interest bearing liabilities/total assets, %	24	26	24	26	25	26	24	17	14
Net debt, SEK M	4,552	6,836	4,552	6,836	5,656	6,467	6,061	3,960	431
Debt/equity ratio, times	0.5	0.8	0.5	0.8	0.7	0.8	0.7	0.5	0.1
Capital employed at period end, SEK M	19,093	18,935	19,093	18,935	18,345	17,285	18,241	13,739	12,390
Capital employed, average	18,672	18,531	18,672	18,531	18,005	15,755	16,632	13,101	12,033
Capital turnover rate, times ¹⁾	3.3	3.1	3.3	3.1	3.2	3.6	3.4	4.0	4.1
Share of risk-bearing capital, %	25	23	25	23	23	21	25	27	28
Closing interest rate, % ²⁾	2.8	2.8	2.8	2.8	3.3	3.6	3.6	4.2	4.6
Average period of fixed interest, years ²⁾	0.9	1.1	0.9	1.1	1.2	1.1	1.1	0.8	1.5
Closing interest rate, % ³⁾	1.3	1.8	1.3	1.8	2.7	2.4	2.4	2.7	2.3
Average period of fixed interest, years ³⁾	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Per share data									
Profit/loss after tax, before dilution, SEK	11.47	8.13	19.59	17.01	18.40	17.62	17.51	12.08	14.05
Profit/loss after tax, after dilution, SEK	11.47	8.13	19.59	17.01	18.40	17.62	17.51	12.08	14.05
Cash flow from operating activities, after dilution, SEK	42.23	33.41	37.65	12.47	23.46	-0.24	-0.24	-14.27	22.35
Cash flow before financing, after dilution, SEK	40.84	31.78	30.88	5.32	15.40	-8.61	-8.61	-22.17	17.84
P/E ratio ¹⁾	13	15	13	15	11	8	8	10	11
Dividend, ordinary, SEK ⁴⁾			3.00	12.00	12.00	10.00	10.00	10.00	10.00
Dividend yield, %			1.1	4.9	5.7	7.3	7.3	8.3	6.8
Shareholders' equity before dilution, SEK	89.85	82.04	89.85	82.04	80.24	70.58	82.97	76.41	74.81
Shareholders' equity after dilution, SEK	89.85	82.04	89.85	82.04	80.24	70.58	82.97	76.41	74.80
Share price/shareholders' equity, %	293	301	293	301	262	193	164	158	198
Share price at period-end, NCC B, SEK	263.00	246.80	263.00	246.80	209.90	136.20	136.20	121.00	147.80
Number of shares, millions									
Total number of issued shares ⁵⁾	108.4	108.4	108.4	108.4	108.4	108.4	108.4	108.4	108.4
Treasury shares at period-end	0.6	0.6	0.6	0.6	0.6	0.4	0.4	0.0	0.0
Total number of shares outstanding at period-end before dilution	107.9	107.8	107.9	107.8	107.8	108.0	108.0	108.4	108.4
Average number of shares outstanding before dilution during the	107.9	107.8	107.9	107.8	107.9	108.2	108.2	108.4	108.4
Market capitalization before dilution, SEK M	28,369	26,574	28,369	26,574	22,625	14,706	14,706	13,136	16,005
Financial objectives and dividend									
Return on shareholders equity, % ⁶⁾	26	22	26	28	23	17	20	25	18
Debt/equity ratio, times ⁶⁾	0.5	0.8	0.7	0.8	0.7	0.5	0.1	0.5	0.1
Dividend, ordinary, SEK	3.00	12.00	12.00	10.00	10.00	10.00	10.00	6.00	6.00

1) Calculations are based on a 12 month average.

2) Excluding liabilities pertaining to Swedish tenant-owners' associations and Finnish housing companies and pensions obligations in accordance with IAS 19.

3) Liabilities pertaining to Swedish tenant-owners' association and Finnish housing companies.

4) For 2015; Dividend motioned by the Board of Directors.

5) All shares issued by NCC are common shares.

6) New objective as of 2010: Debt/equity ratio < 1.5. Previous objective: <1.0. Return on shareholders equity after tax, 20%.

7) The amounts are adjusted for change in accounting policy regarding IAS 19.

8) The column is not recalculated in accordance to IFRIC 15.

For definitions of key figures, see p. 26 and Annual Report 2014, p. 121.

NCC in brief

VISION

NCC's vision is to renew our industry and provide superior sustainable solutions.

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 (excluding Housing) has defined the following strategic objectives for the Group for the 2016-2020 strategy period:

- An operating margin of at least 4 percent during the strategy period
- Average annual sales growth of 5 percent during the strategy period
- Annual return on equity after tax of at least 20 percent
- Net indebtedness of less than 2.5 times EBITDA
- Equity/assets ratio of at least 20 percent
- Reduction of the accident frequency rate by half by 2020 (compared with the 2015 outcome)
- Reduction of NCC's CO₂ emissions by half by 2020 (compared with 2015 outcome)

Dividend policy: at least 40 percent of profit for the year after tax to be distributed to shareholders.

The following financial objectives apply for the three businesses and business areas:

- NCC Industry: Operating margin of at least 4 percent, and average annual return on capital employed of at least 10 percent, during the strategy period
- NCC Building and NCC Infrastructure: Operating margin of at least 3.5 percent per year
- NCC Property Development: Operating margin of at least 10 percent, and average annual return on capital employed of at least 10 percent, during the strategy period.

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. Both operational and financial synergies exist between the businesses. From January 1, 2016, the operations are organized into four business areas, NCC Industry, NCC Building and NCC Infrastructure (construction and civil engineering), NCC Property Development and an independent housing development company, NCC Housing.

STRATEGY 2016-2020

The starting point for the new strategy is NCC's vision to renew our industry and provide superior sustainable solutions. NCC has identified five megatrends that will change the construction and property industry: urbanization, globalization, sustainability, competition for the best talent and new technologies. These trends present opportunities for both profitability and growth. NCC intends to realize this potential by continuing to develop its existing strengths, where broad geographic presence, strong expertise in the expected growth segments of building and civil engineering and a strong position close to the customer in the value chain, work to NCC's advantage.

The strategic initiatives required to achieve this level of ambition can be summarized in three Must Win Battles (MWB).

- Operational excellence: NCC aims to become more efficient and profitable by strengthening its existing expertise, having more efficient processes and more centralized purchasing processes and increasing support for digitized information flows.
- Market excellence: NCC sees major growth potential in the civil engineering and refurbishment segments through sales of sustainable lifecycle offerings, early marketing of these solutions and by being the customer's first choice.
- Investment initiatives: Provided that the new strategy increases NCC's profitability and growth, there will be investment scope for growth through investments in, for example, company acquisitions, PPP projects and project development.

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Information meeting

An information meeting with an integrated web and teleconference will be held on January 28 at 10:00 a.m. at Tändstickspalatset, Västra Trädgårdsgatan 15 in Stockholm. The presentation will be held in English. To participate in this teleconference, call +46(0)8-519 993 55 (SE), +44 203 194 05 50 (UK), +1 855 269 26 05 (US) or +49 692 222 339 83 (DE) 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 pursuant to Chapter 17 of the Swedish Securities Market Act (2007:528). The information was distributed to the media for publication on Thursday January 28, at 8:00 a.m.

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 purchasers in connection with acquisitions of property and housing projects. Operating revenue less operating and maintenance expenses 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 rewards 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.