

Q2 2024



Tomas Carlsson, CEO
Susanne Lithander, CFO
July 16, 2024

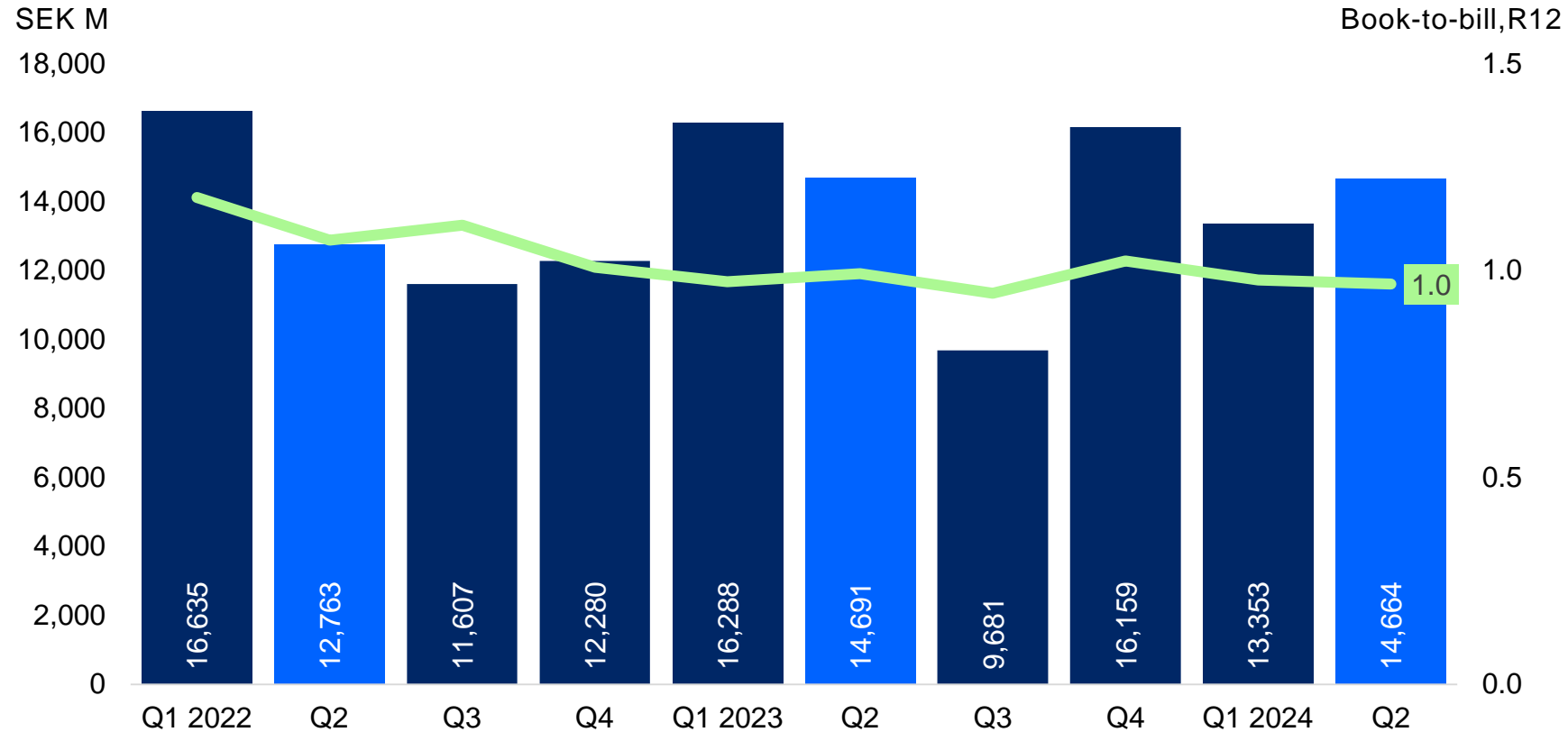


A good second quarter

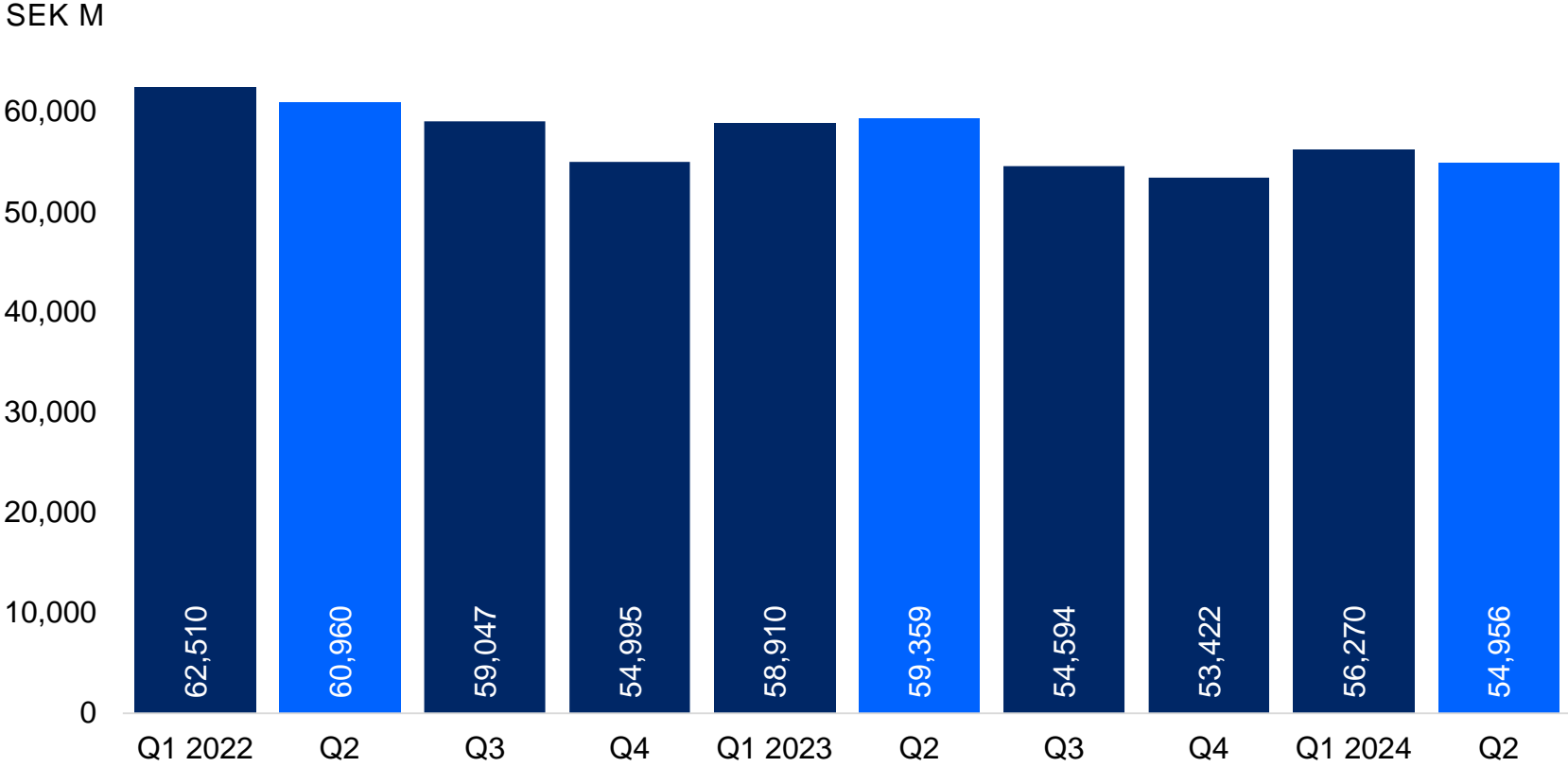
- Earnings up compared to last year
- Strong comeback for Industry – volumes and earnings
- Orders received on good level – order backlog healthy
- Market outlook strong
- No property transactions – no real change in market activity

Good orders received

Book-to-bill of 1.0. Disciplined approach to tenders



A healthy order backlog



Train depot in Hagalund,
Sweden, SEK 920 M



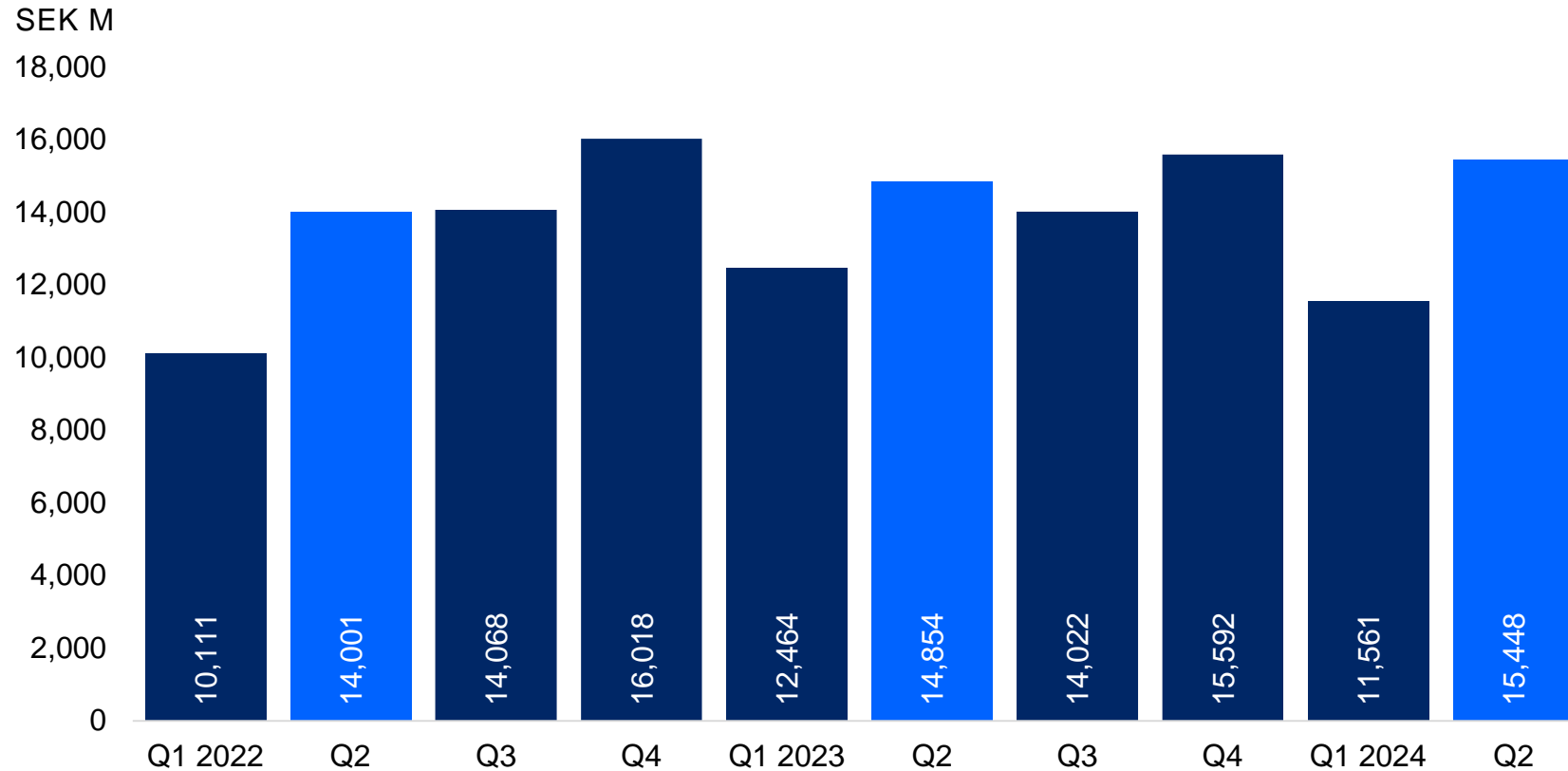
Refurbishment projects in
Denmark, SEK 850 M



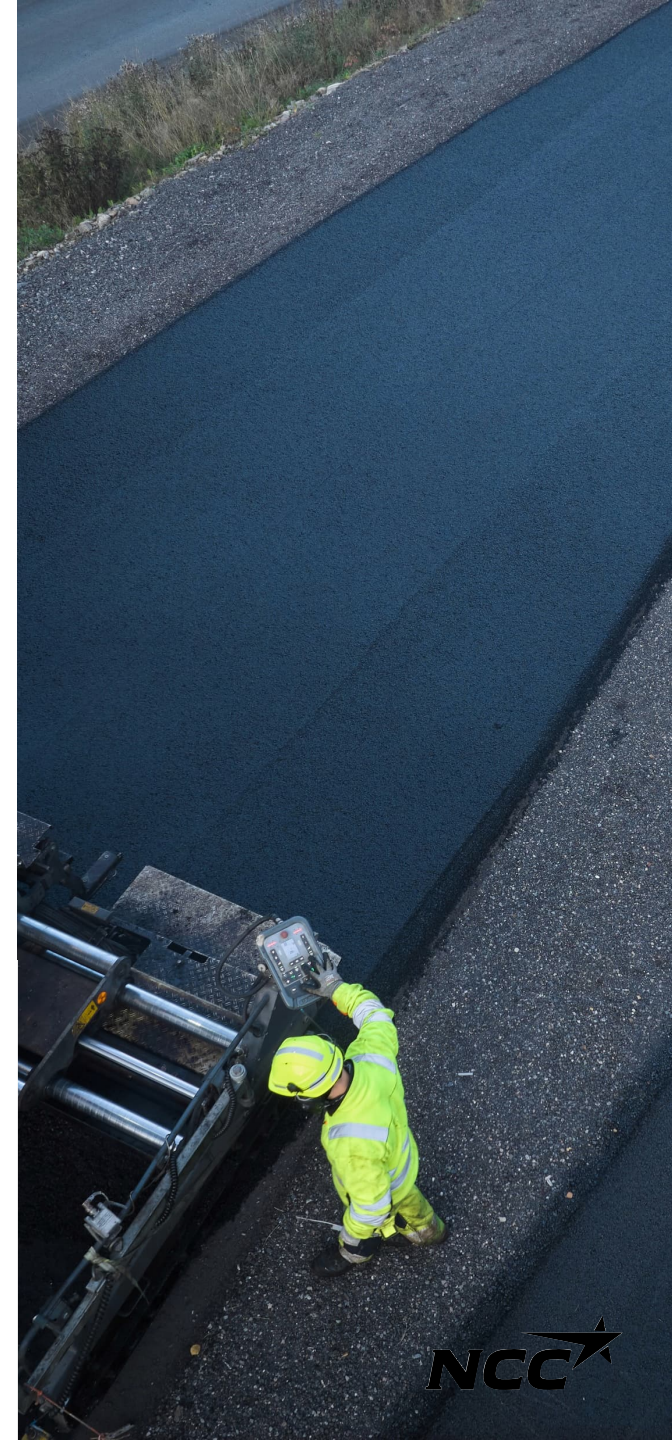
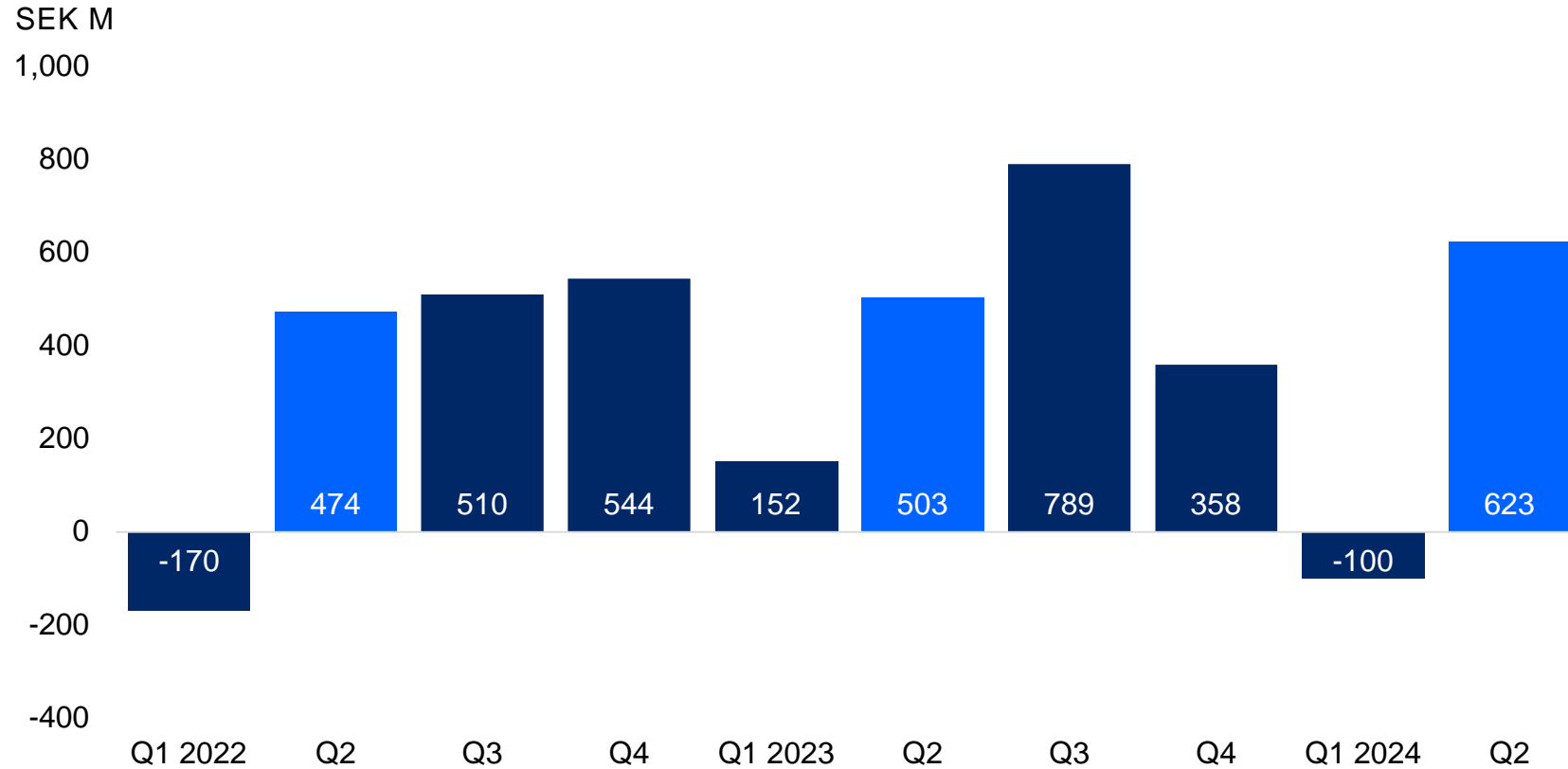
Swimming hall in Vanda,
Finland, SEK 460 M



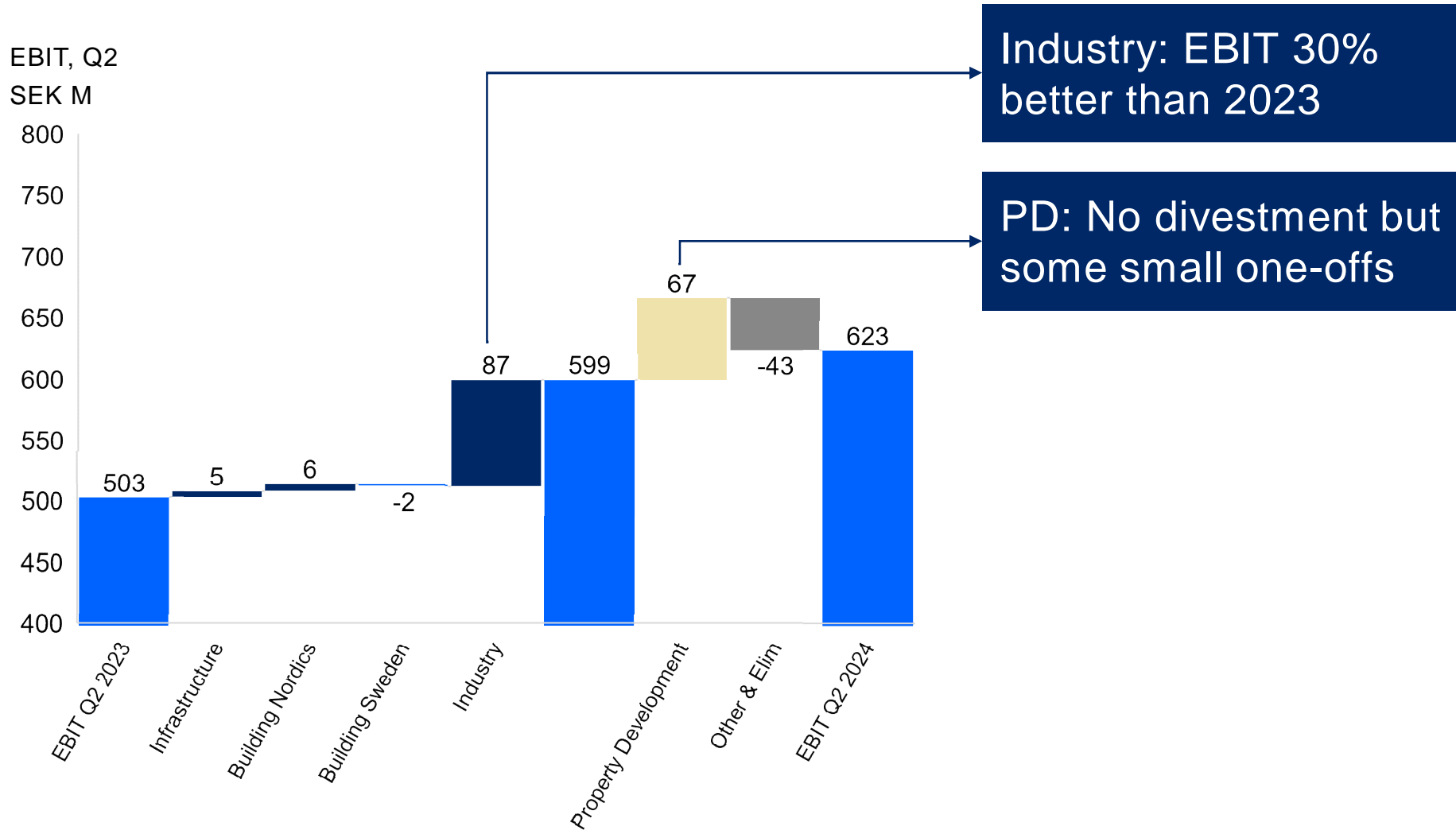
Net sales up in the quarter and on same level YTD



EBIT up 24% in the quarter

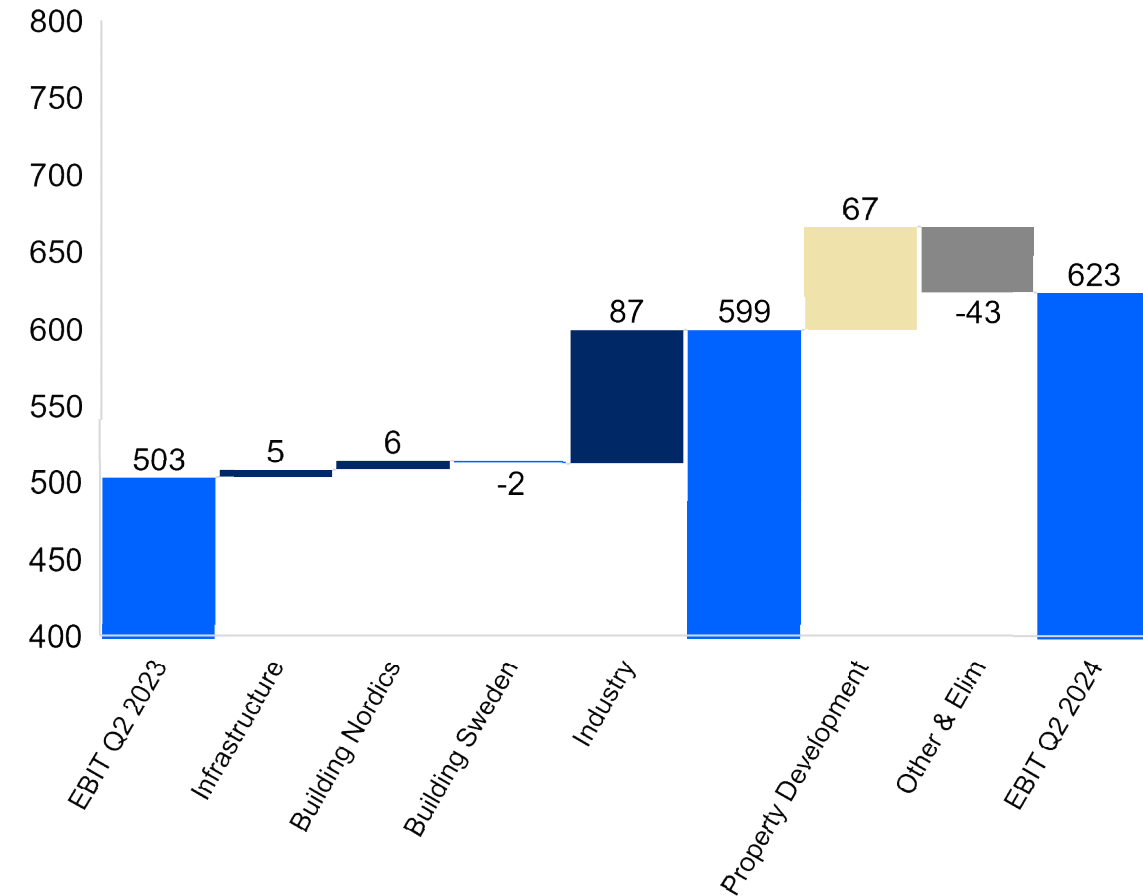


Industry main driver of Q2 improvement

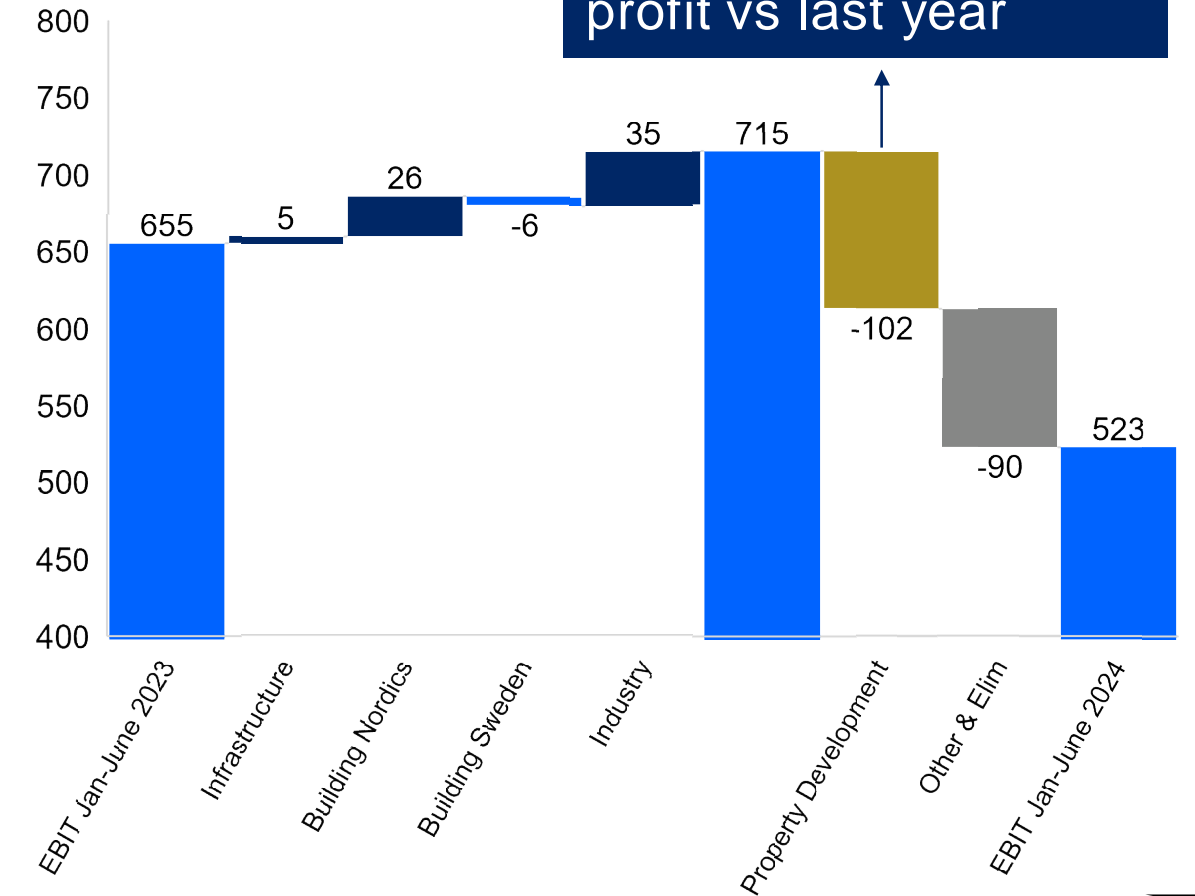


Contracting and Industry improves Jan-Jun

EBIT, Q2
SEK M



EBIT, Jan-June
SEK M



Financial targets

Earnings per share

≥ 16.00

SEK

Q2 2024, R12

14.26

SEK

2023 16.11 SEK

Net debt

< 2.5

x EBITDA

Q2 2024, R12

1.48

x EBITDA

Dividend policy

$\approx 60\%$

of profit after tax

2023

8.00

SEK

50% of profit after tax

Health & Safety targets

LTIF4

≤ 2.00

2026

Q2 2024

4.0



The market outlook is generally good

- Still divided but with many strong segments
- Property transaction market remains slow with no positive impact yet from interest rate outlook



Susanne Lithander



NCC's Contracting units

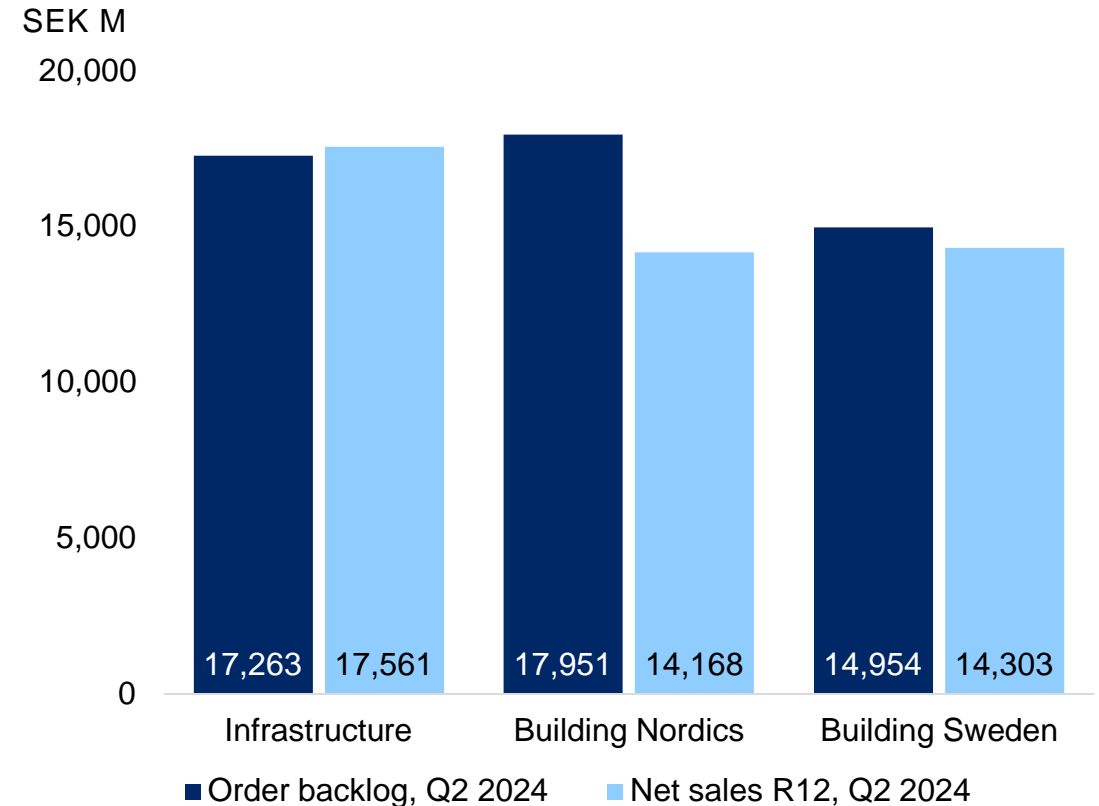
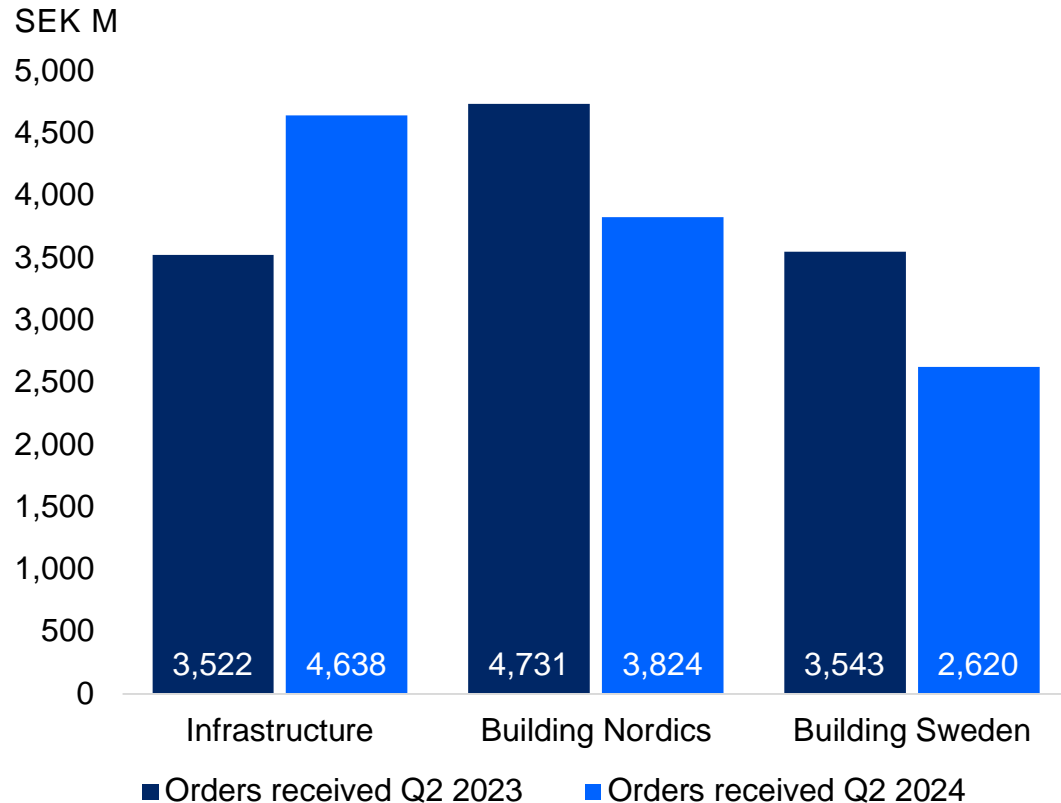
Business update Q2

- NCC Infrastructure
- NCC Building Nordics
- NCC Building Sweden
- *NCC Green Industry Transformation*



Strong orders received in Infrastructure in Q2

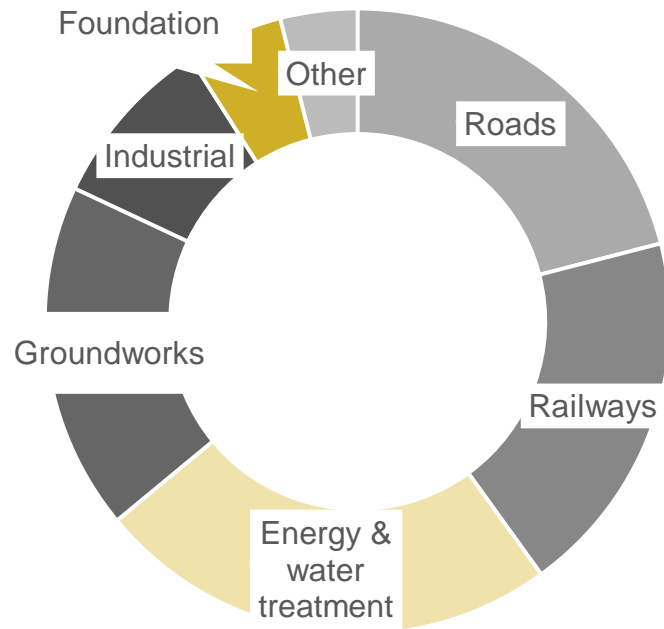
Healthy order backlog in all contracting units



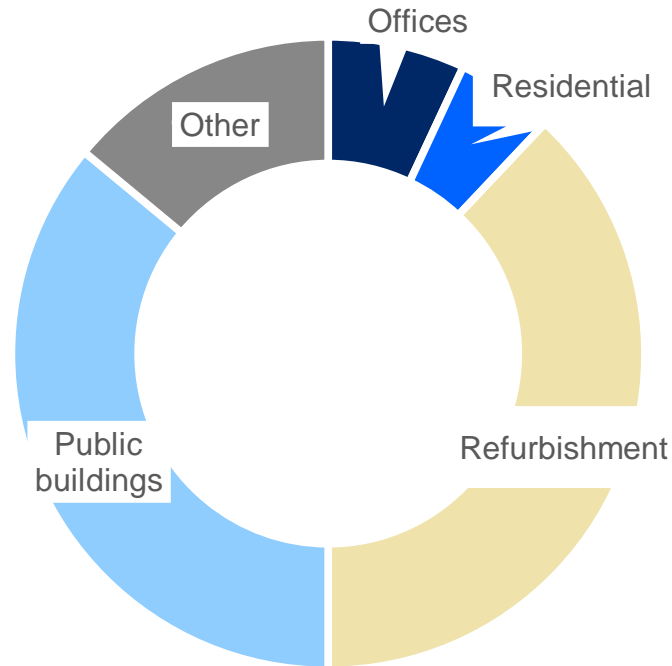
Portfolio driven by public investments and careful segment selection

Orders received Jan-Jun

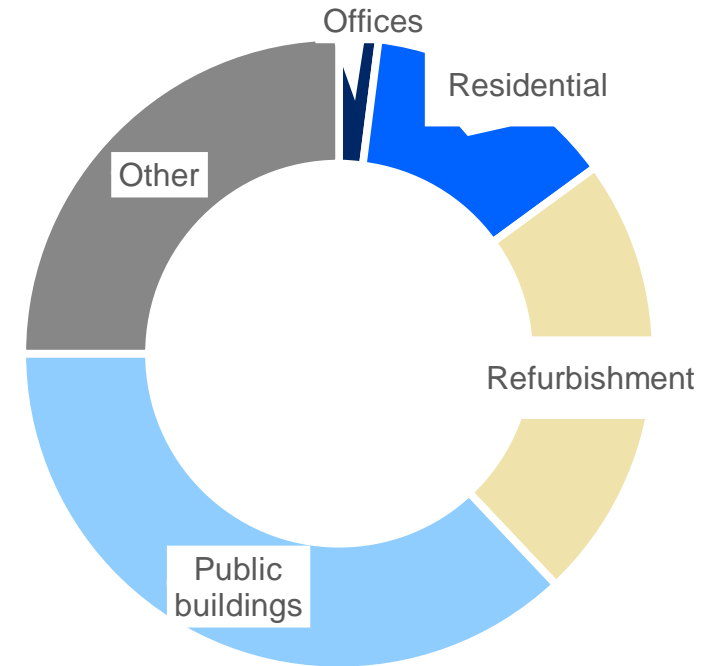
Infrastructure



Building Nordics

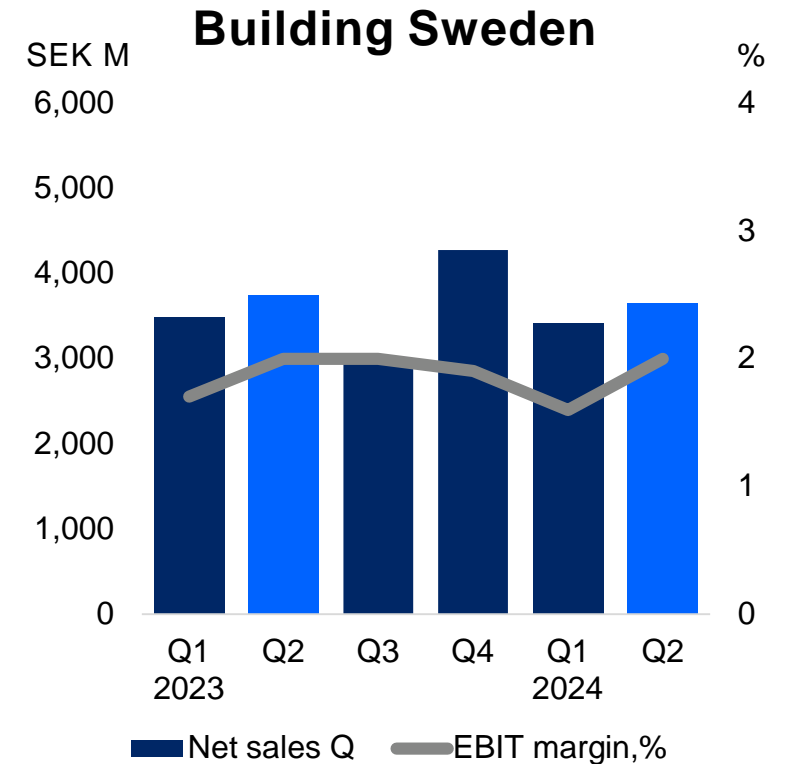
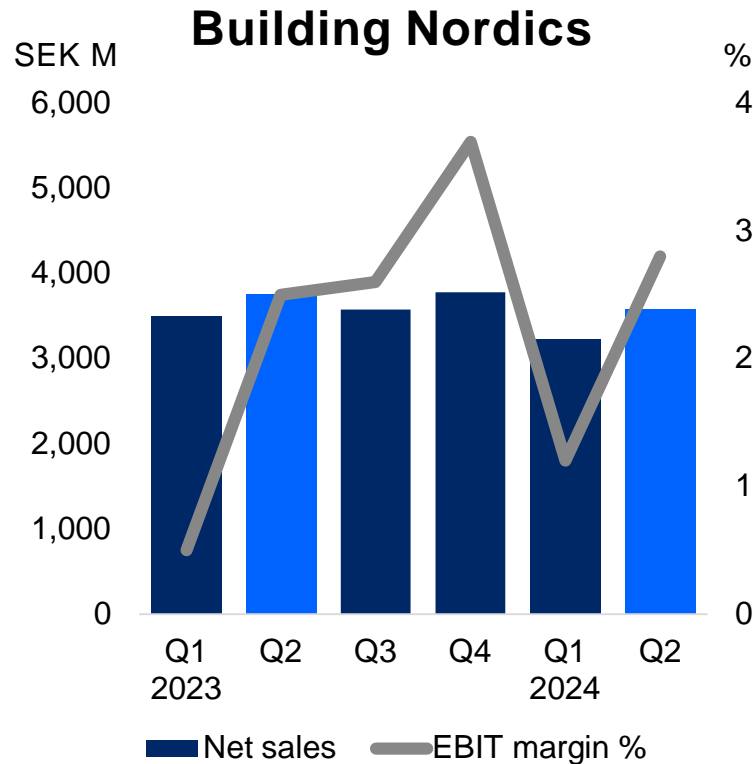
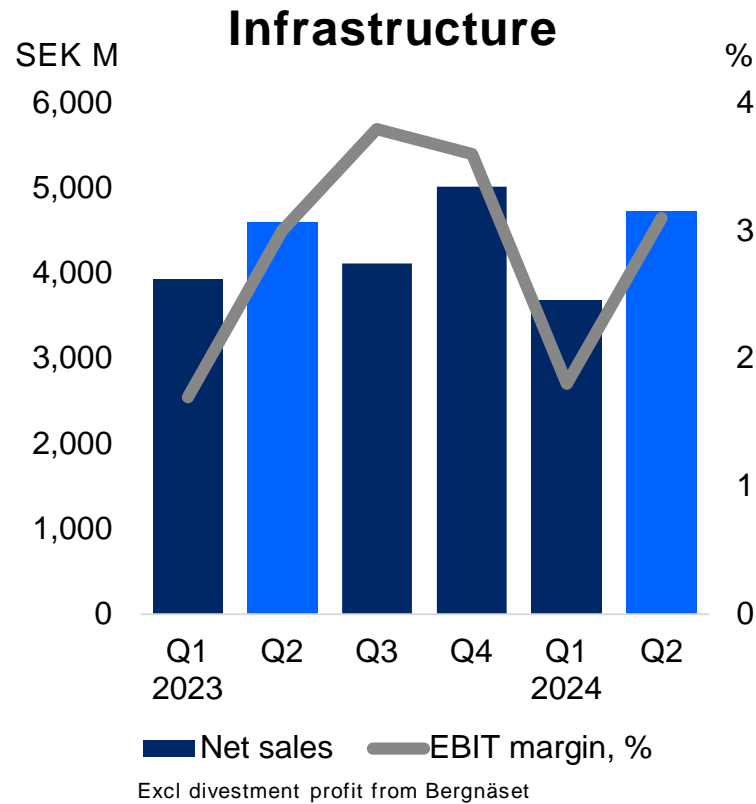


Building Sweden

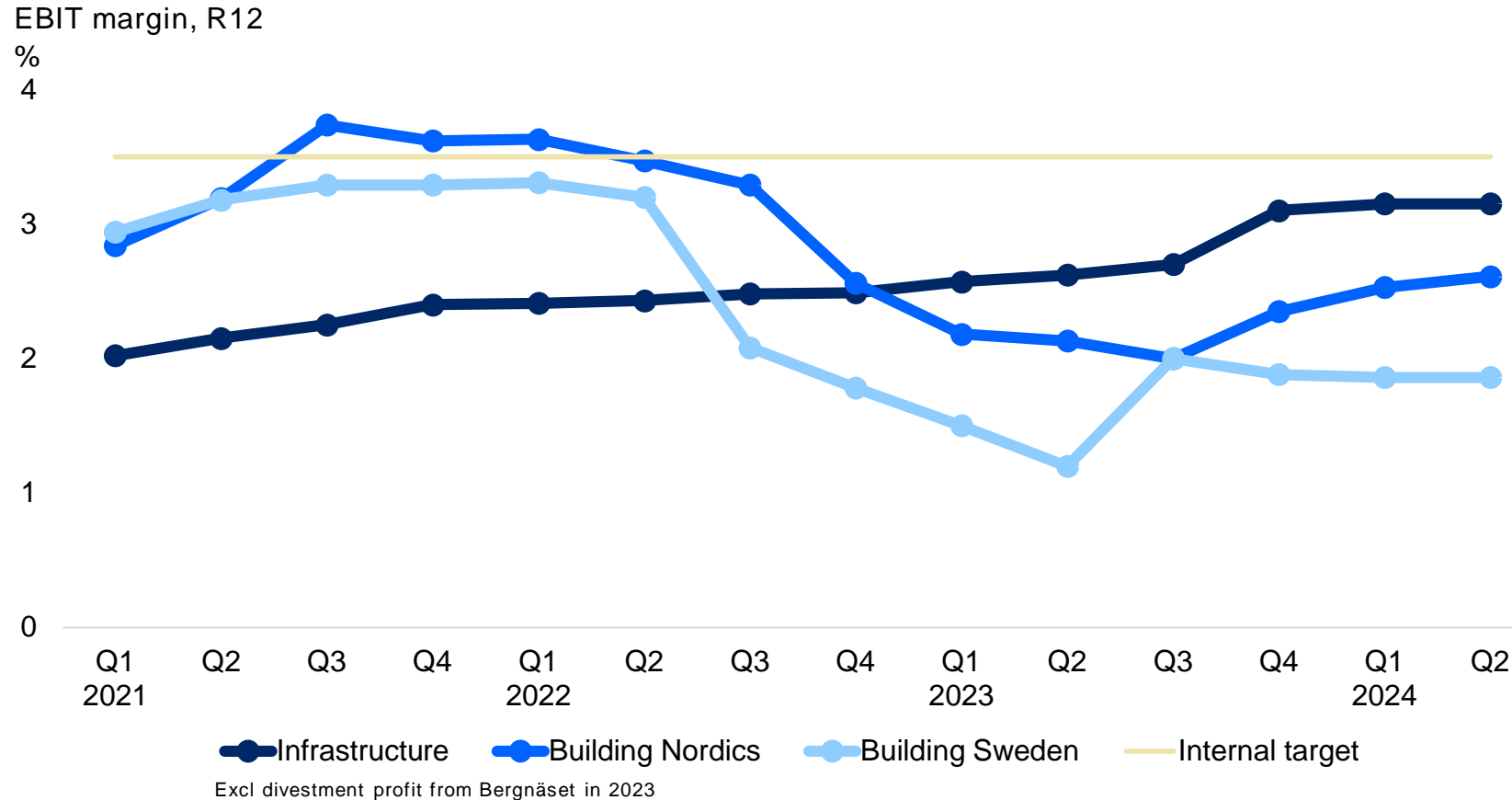


Showing stability over time

Earnings stable in Infrastructure and Building Sweden, improved in Building Nordics



Margins in the contracting units



NCC Green Industry Transformation

Business update Q2

- Strategic collaboration agreement with LKAB signed



NCC Industry

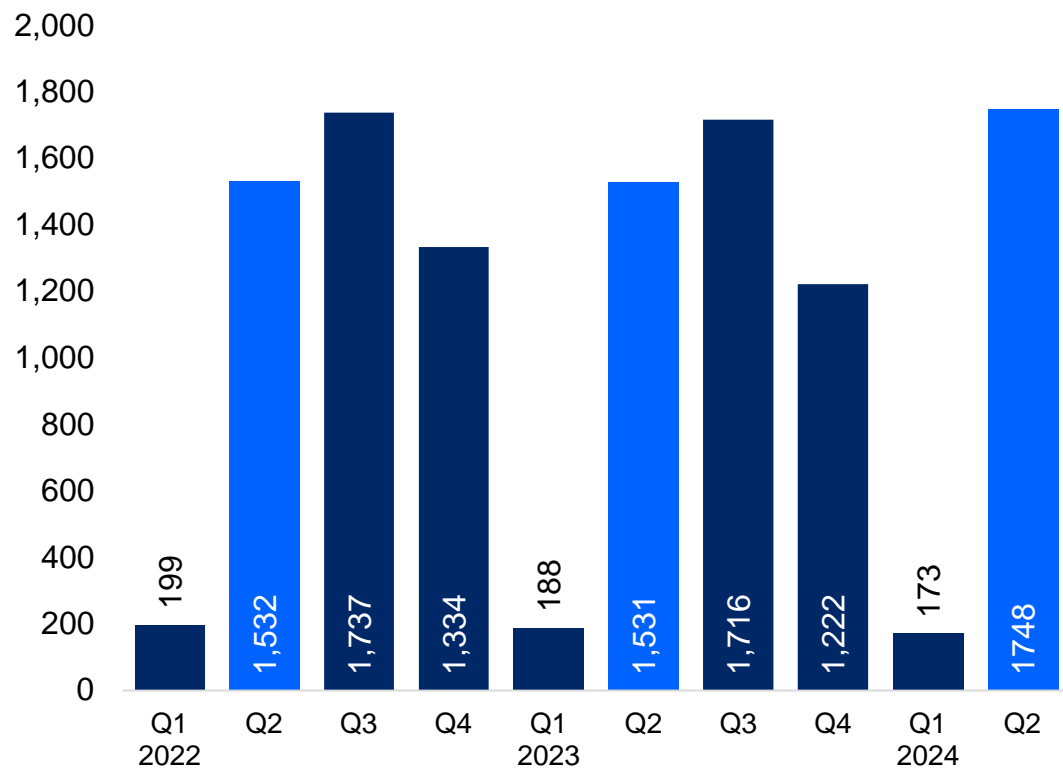
Business update Q2

- Very strong quarter - orders received, net sales and earnings up
- Strong start of the season
- Successful implementation of change and diligent pricing

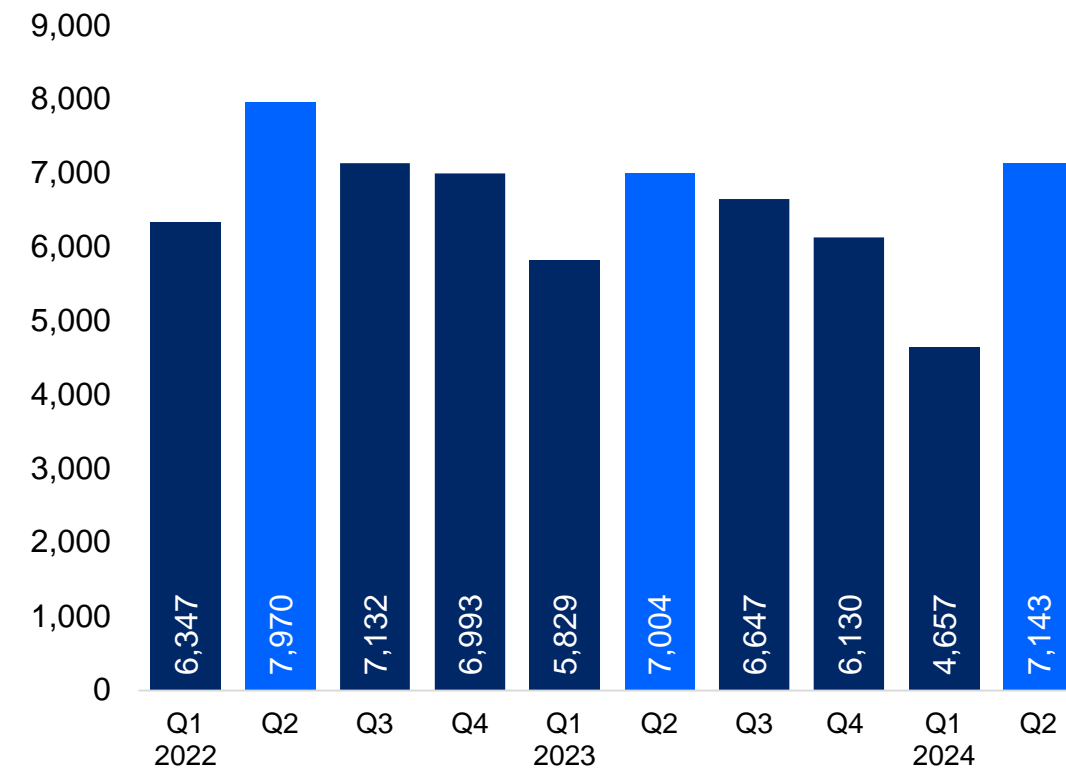


Higher volumes than last year

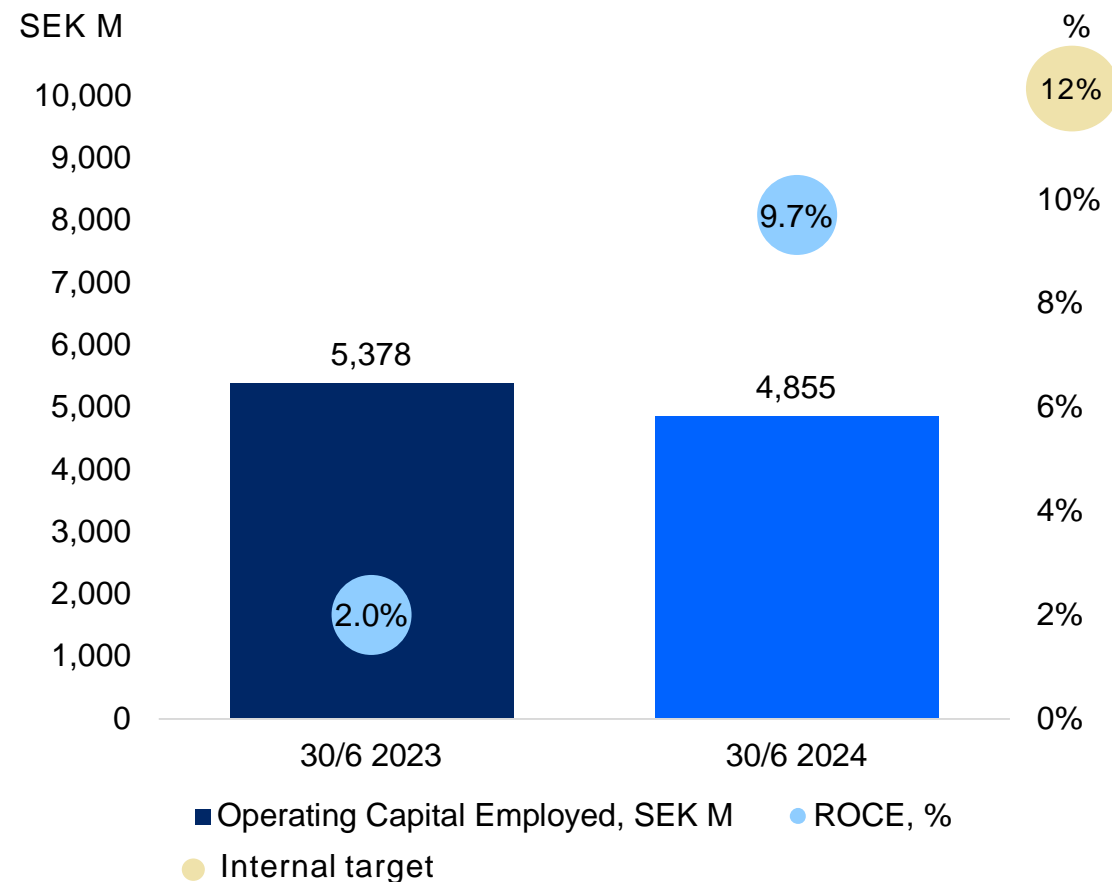
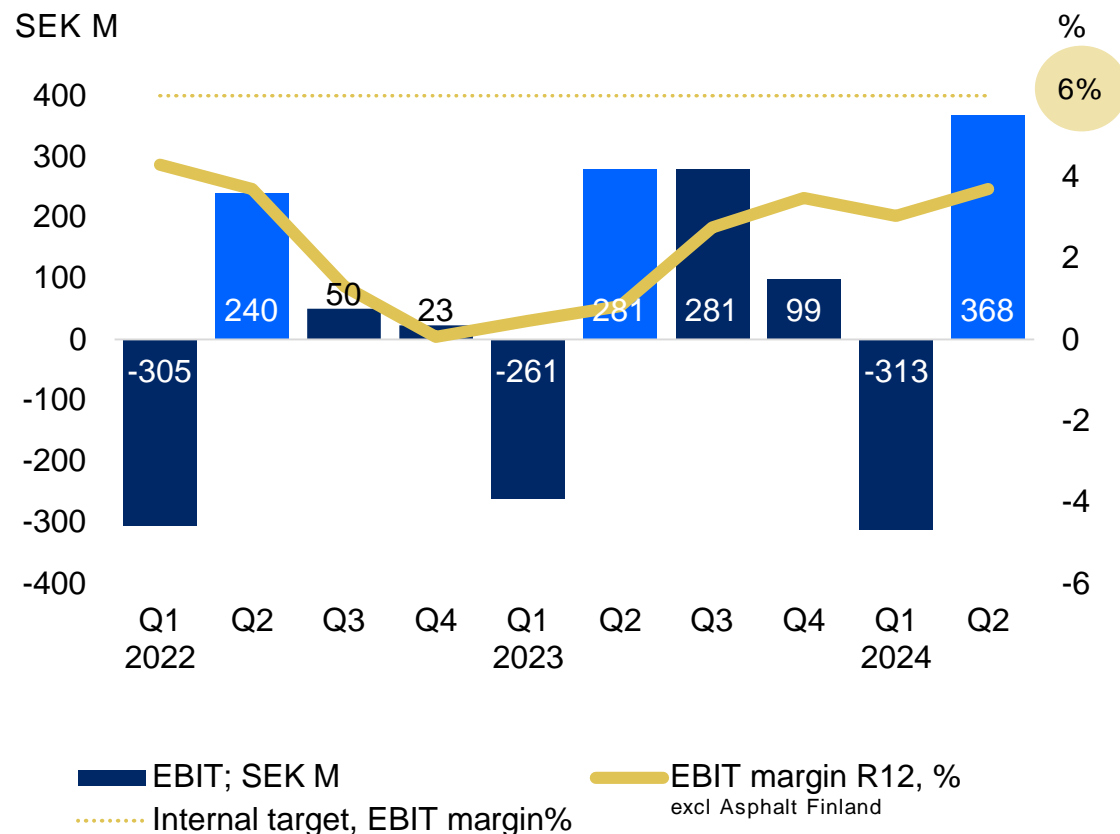
Asphalt sold, thousands of tons



Stone materials sold, thousands of tons



Earnings up 30% and improved ROCE



NCC Property Development

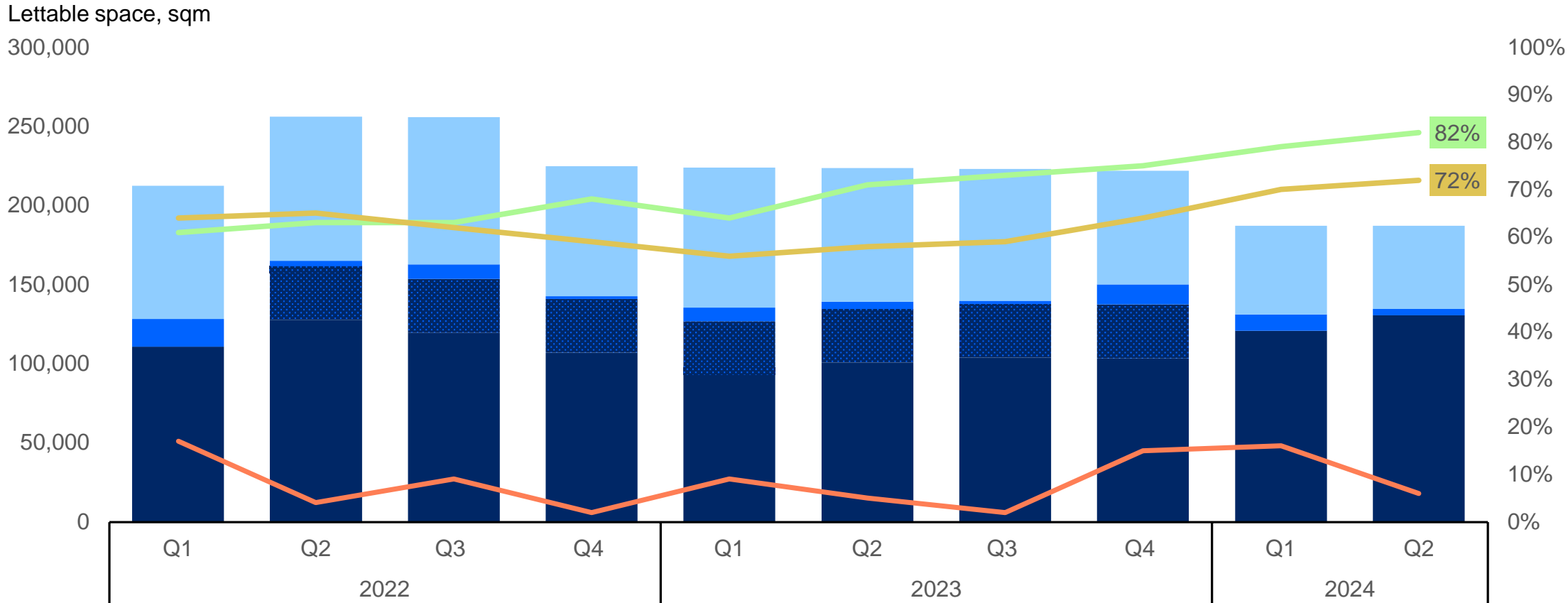
Portfolio update Q2

- Still a challenging market situation
- 10 projects in the portfolio, all offices
- No project sold or started
- Four new letting contracts in MIMO



Letting ratio 72% - 82% in the completed projects

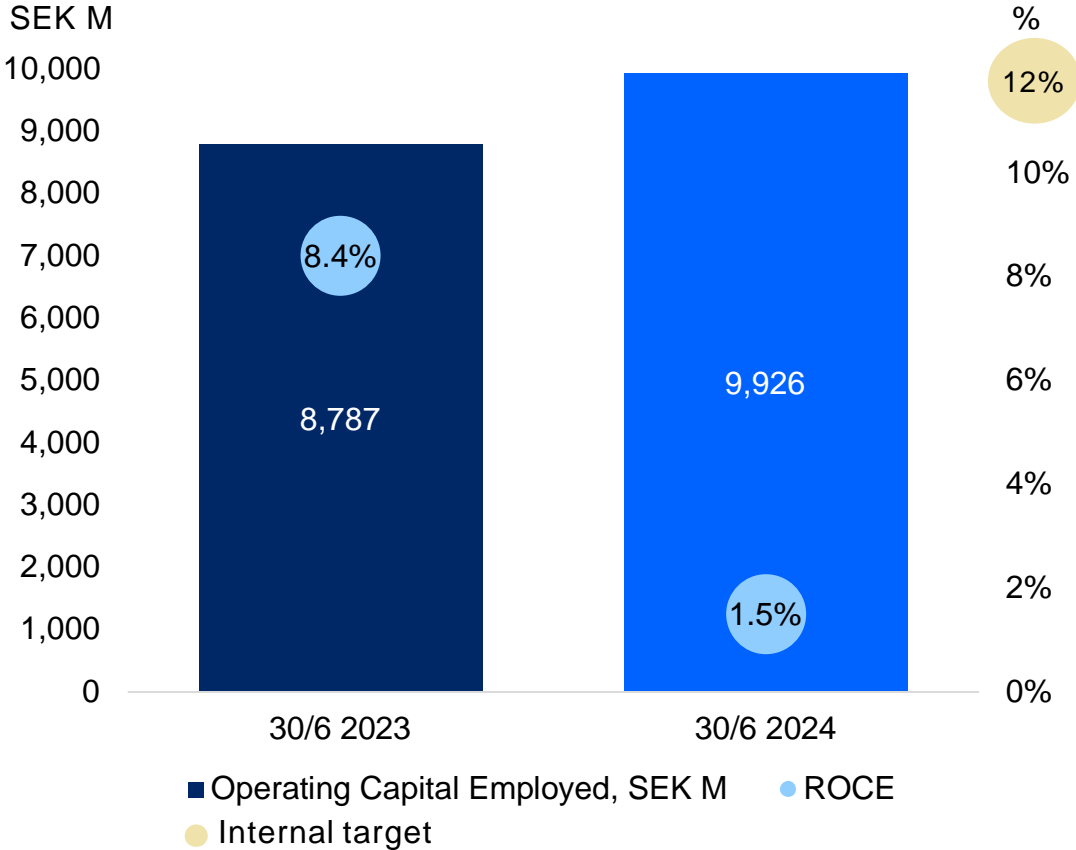
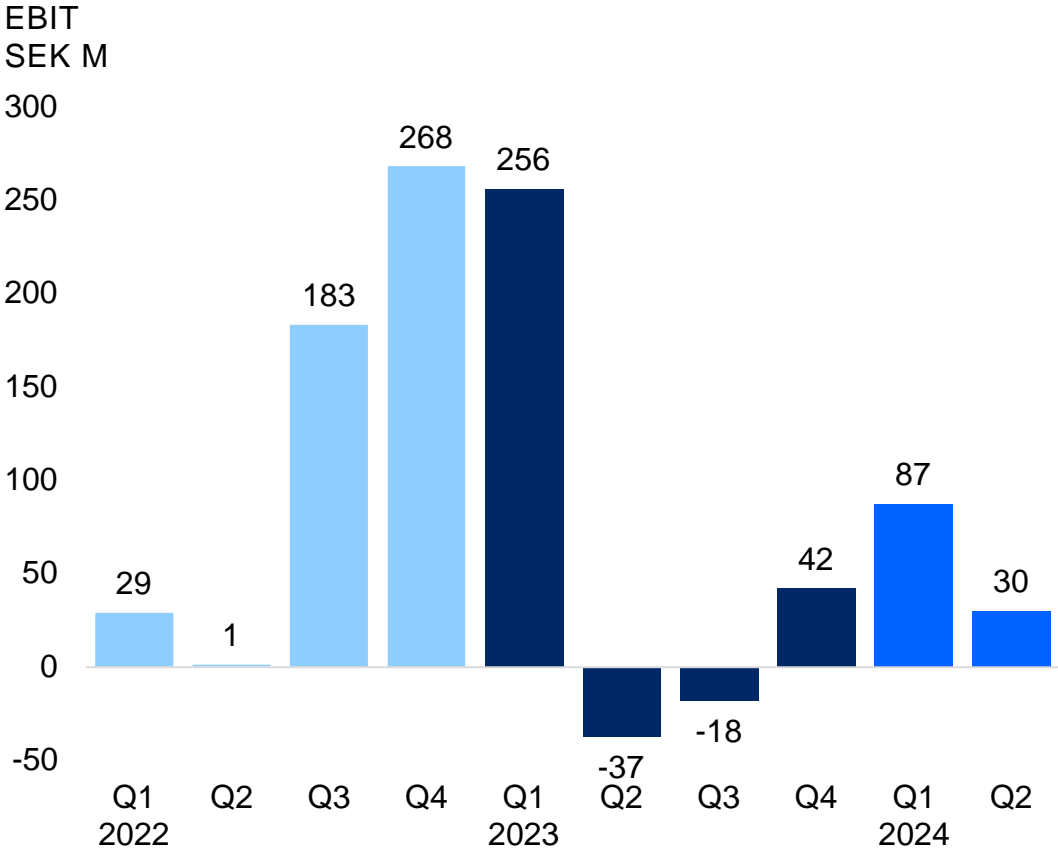
Completion ratio all projects 82%



■ Previously let area, sqm
 ■ Sold, no letting
 ■ Let during quarter, sqm
 ■ Remaining unlet area, sqm
 — Completion ratio
 — Letting ratio (economic occupancy rate)
 — Let during quarter (% of available unlet area)

Almost 10 bn SEK in operating capital employed

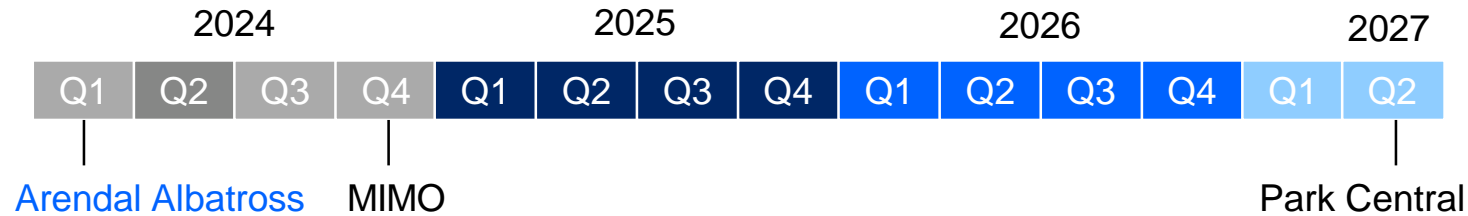
Some small positive one-offs in earnings



MIMO projected in profit 2024

An office project in Mölndal, Gothenburg

Expected time of profit recognition for sold projects

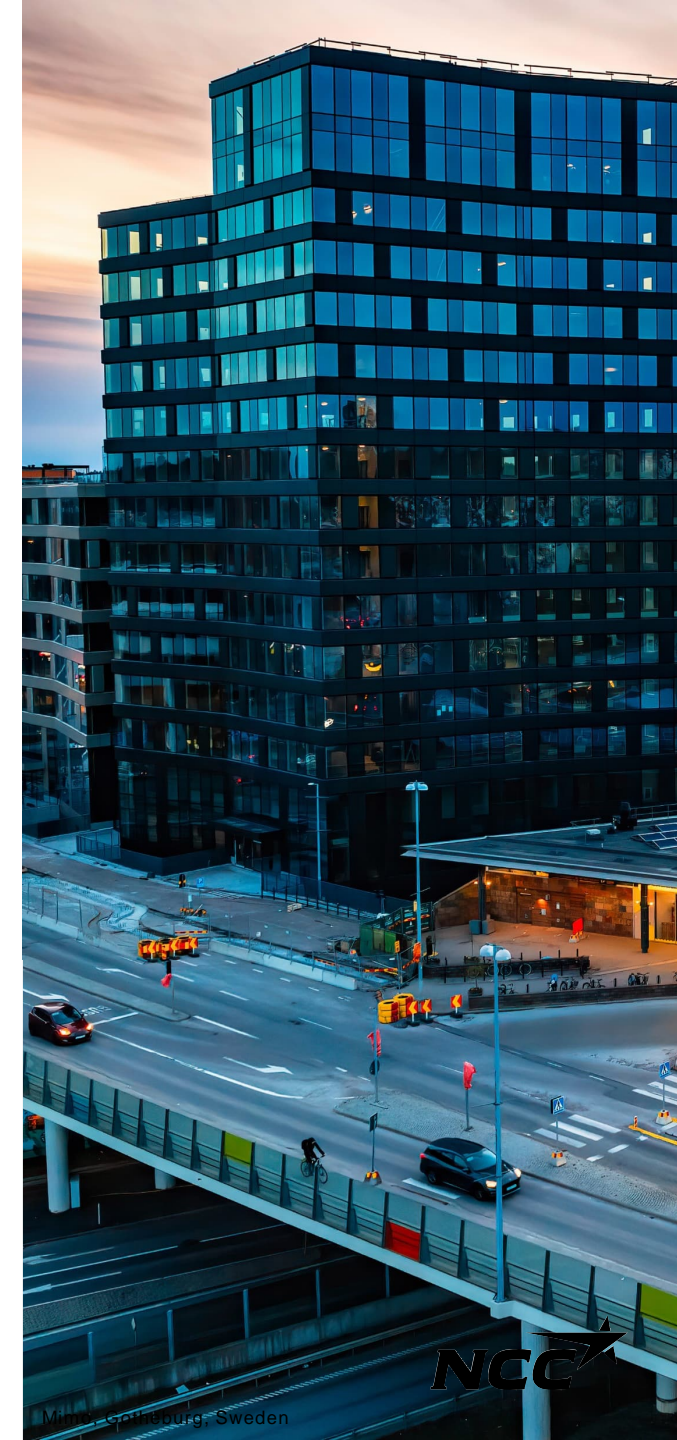


Ongoing unsold projects

- Flow Hyllie, Malmö
- Habitat 7, Gothenburg

Completed unsold projects

- Bromma Blocks, Stockholm
- Brick Studios, Gothenburg
- Våguset, Gothenburg
- We Land, Helsinki
- Kulma21, Helsinki
- Nova, Solna



Other & eliminations

SEK M	Q2		R12, Jul-Jun	FY Jan-Dec
	2024	2023	2023/2024	2023
NCC Group common functions, subsidiaries and business area NCC Green Industry Transformation	-122	-88	-383	-315
Elimination of internal gains	-11	-18	-17	-18
Pension cost (IAS19 adjustments)	50	57	176	190
Other adjustments and eliminations	-9	1	-46	-35
EBIT, total	-91	-49	-127	-179

Normally on app. same level first and second half of the year

Cost for IT development represents ~30% and expected to be higher in the coming years

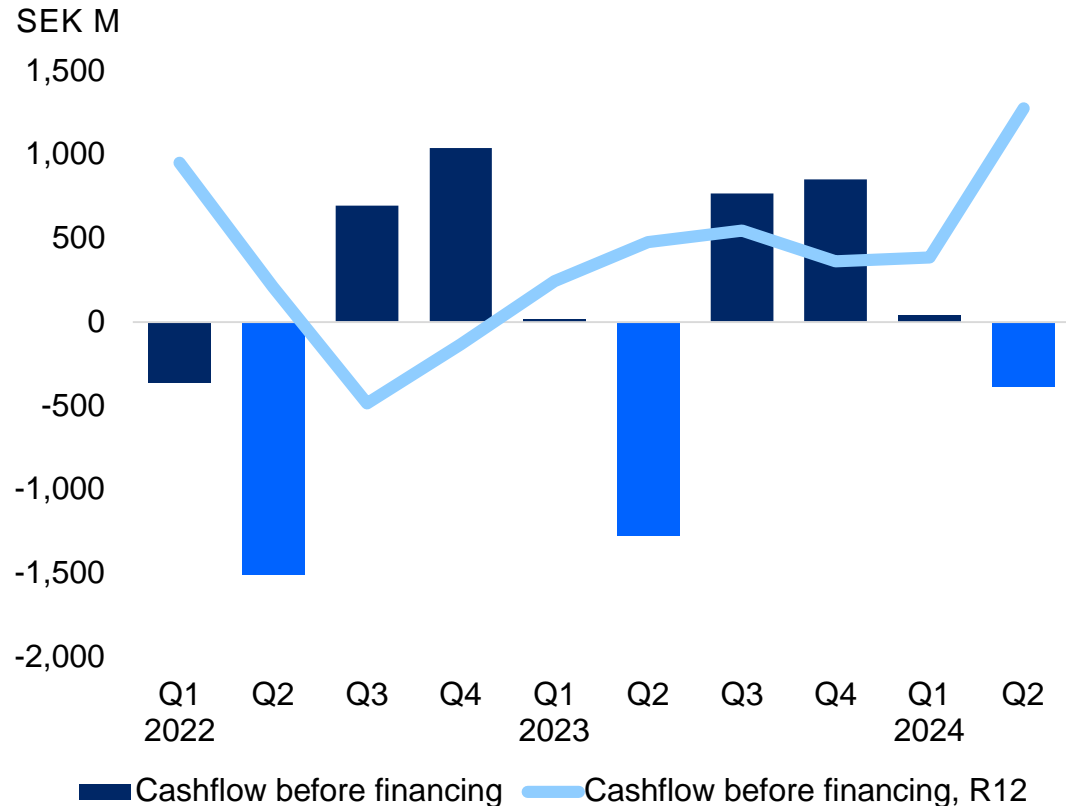
GIT represents <10%

Earnings

SEK M	Q2		R12, Jul-Jun	2023, Jan-Dec
	2024	2023	2023/2024	2023
Earnings in segments (all BAs)	715	552		1,982
Other & Eliminations	-91	-49		-179
EBIT	623	503	1,670	1,802
Financial net	-34	-10	-73	1
EBT	589	493	1,598	1,803
Tax	-118	-86	-205	-230
Profit for the period	472	407	1,392	1,573
Earnings per Share	4.83	4.17	14.26	16.11

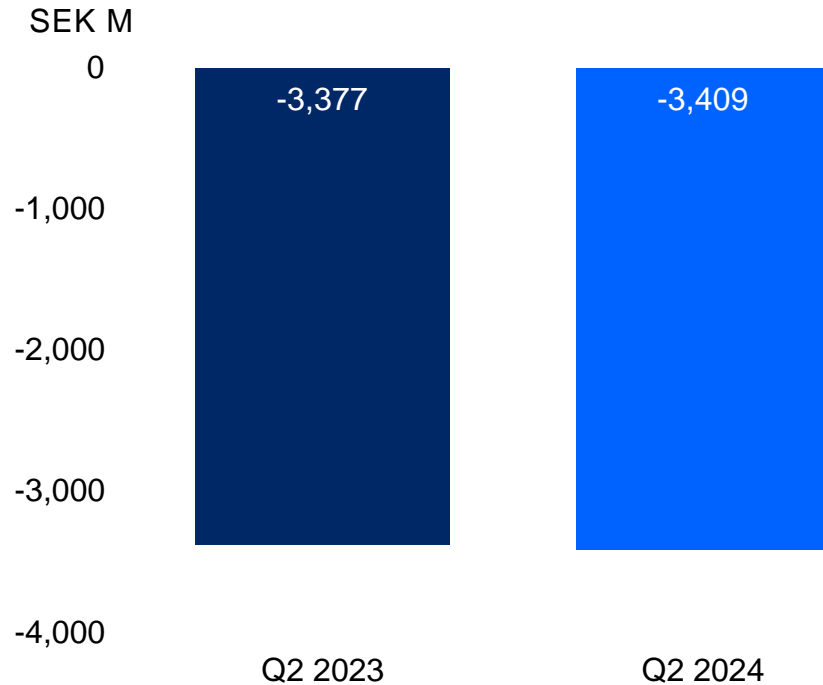


Cashflow seasonally low but better than previous years



SEK M	Q2 2024	Q2 2023	R12, Jul-Jun 2023/2024	2023, Jan- Dec 2023
OPERATING ACTIVITIES				
From operating activities	669	598	2,039	2,122
From property projects	-232	-603	-924	-1,684
Other changes in working capital	-726	-1,003	413	369
Cashflow from operating activities	-289	-1009	1,528	807
INVESTING ACTIVITIES				
Investing activities	-94	-265	-253	-446
Cash flow before financing	-383	-1,274	1,275	361

Corporate net debt on same level as last year



Net debt* / EBITDA	
Target	< 2.5x
Jun 30, 2024, R12	1.48x

*Corporate net debt excluding pension liabilities and leasing liabilities

◆ Tomas Carlsson



In summary

- A good quarter for NCC
- Earnings up 24%
- Good orders received
- Industry has strong quarter – other business areas stable on good level
- Property transaction market remains slow
- Market outlook strong





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ncc.com/Investor-relations

For definitions and details, please see the quarterly report



