

# NCC Building

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NCC Building 2016





# We are known as...

One of the largest residential construction companies in the Nordics



Strong and profitable local business





# Project offerings



Residential



Offices



Retail



Other Buildings (Hospitals, Schools, Sports facilities)



# Concepts and customized offerings

Schools



Sports facilities



Sustainable offices



Retail



Sustainable residential



ESCO



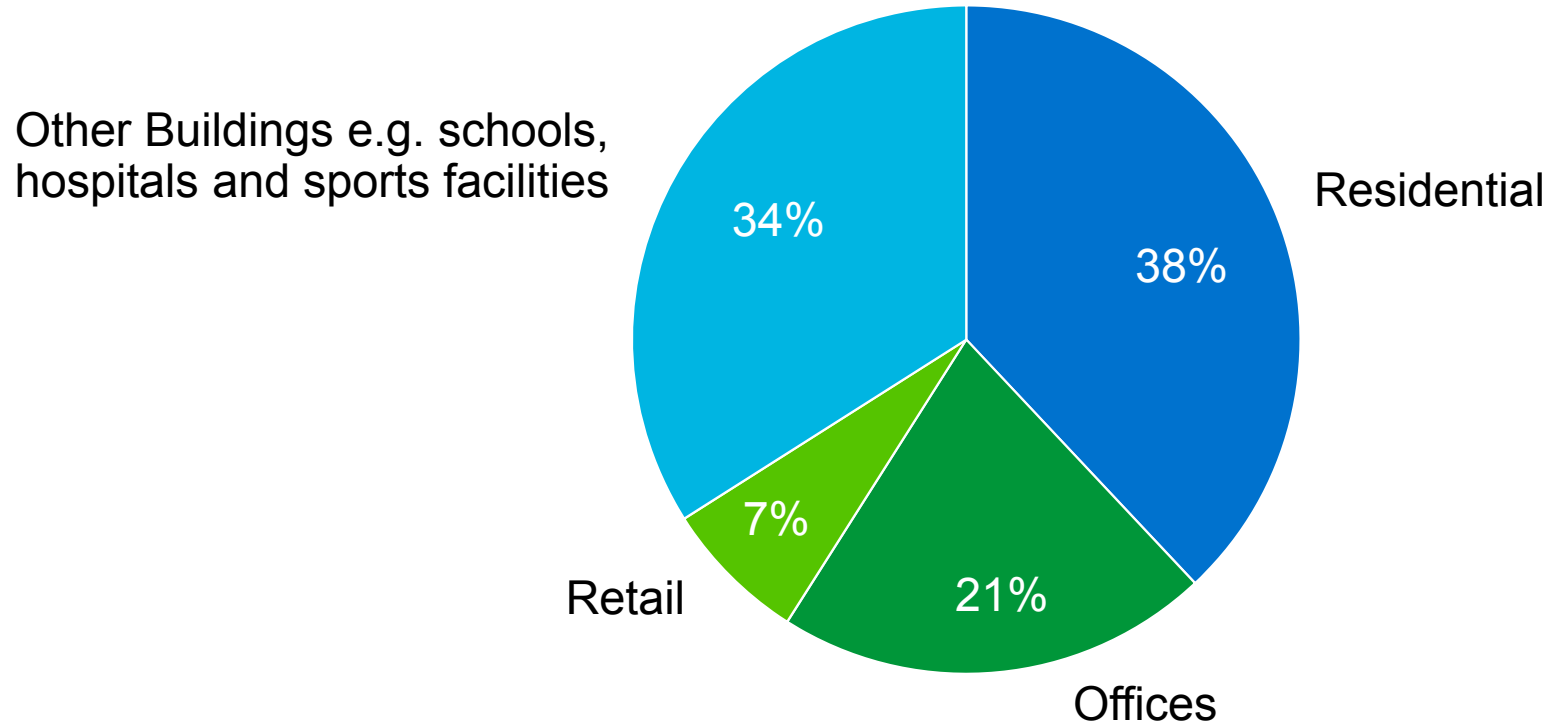
Refurbishment



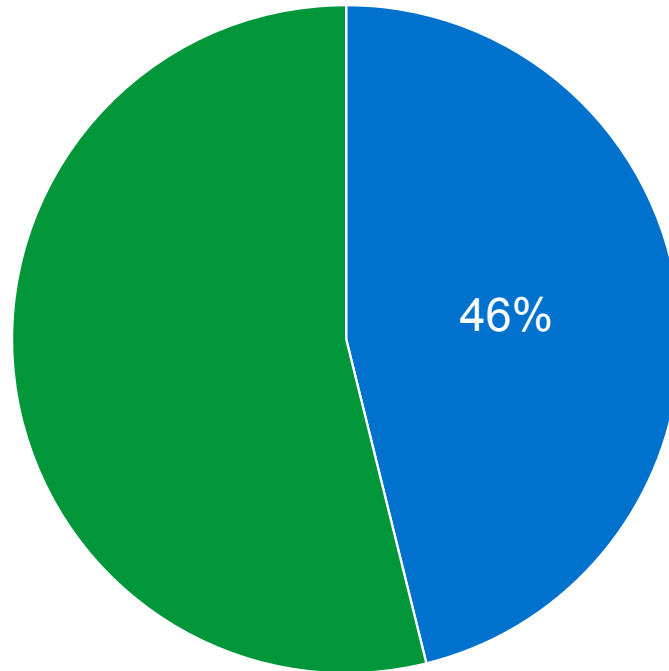
Shafts



# Product mix 2014 – share of net sales



# NCC Building – net sales 2014



NCC Building  
SEK 24.8 BN

Share of NCC excl. Housing

# Geographical markets





# Short term actions

Norway

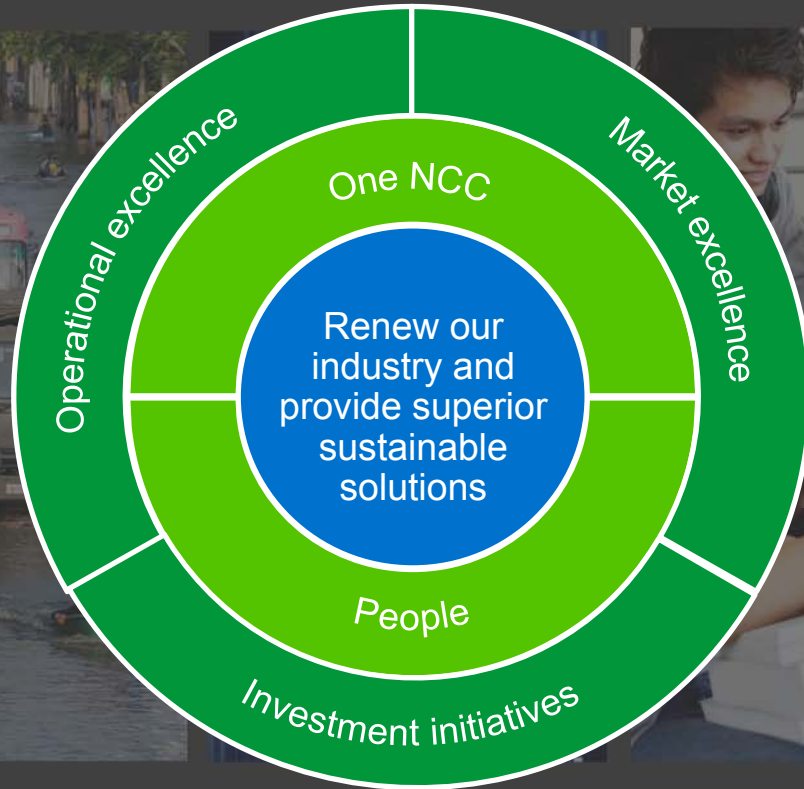


Organization





# NCC Building – Strategy for profitable growth



# Financial objectives NCC Business Areas 2016-2020

## Industry



### NCC Industry

Average yearly  
ROCE > 10%  
EBIT > 4%

## Construction and Civil Engineering



### NCC Infrastructure



### NCC Building

EBIT > 3.5%

## Development



### NCC Property Development

Average yearly  
ROCE > 10%  
EBIT > 10%



Must win battle:

# Operational Excellence

Our way of working

Technical competence

Digitalization/VDC

Purchasing



Must win battle:  
**Operational Excellence**

Our way of working





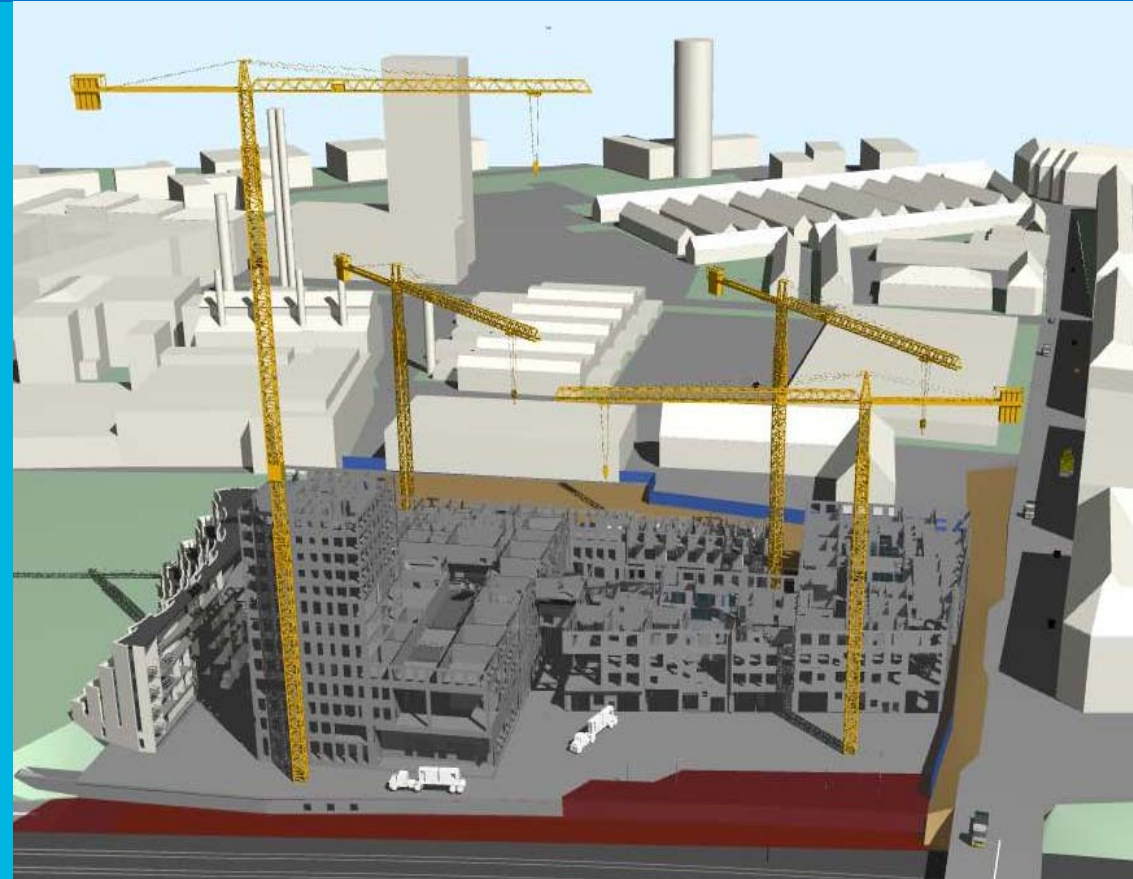
Must win battle:  
**Operational Excellence**



Technical competence

Must win battle:  
**Operational Excellence**

Digitalization/VDC





Must win battle:  
**Operational Excellence**

Purchasing



Must win battle:

# Market Excellence



Customers' first choice

Growth refurbishment

Sustainable customer offers

Value delivery

Must win battle:  
**Market Excellence**



Focus:  
Growth Refurbishment



# Trends – Drivers for the refurbishment market



Urbanisation

Sustainability

Economy

# Trends – Drivers for the Customers



B2C

B2B

B2P

# Market outlook 2016-2020

Million program in Sweden (Miljonprogrammet)  
– build in the 60's

Public & private buildings older than 10 years  
don't meet future demands!

Up to 15% of all residentials in Norway  
and Finland are publicly owned!

475,000 “Public apartments” in Denmark!



# Market value – Scale up from Denmark

Year	Denmark SEK BN	Nordic SEK BN
2015	38,812	194,060
2016	39,103	195,515
2017	39,396	196,980
2018	39,692	198,460
2019	39,990	199,950
2020	40,289	201,444
Average	39,547	197,735

Source: Dansk Byggeri konjunkturrapport February 2014 & NCC

# Relevant market – Scale up from Denmark

- Approx. 56% of the total market is considered relevant!
- Approx. SEK 110 BN per year

Kilde: Dansk Byggeri & NCC Construction Denmark

# Business propositions 2016 - 2020

Guaranteed Energy Performance Contracts

Sustainable refurbishment

Transformations

Value protection



# Refurbishment

– and other building segment, for example hospitals

## ESCO Rudersdal

- 13 schools
- NCC designed
- Guarantee energy savings of min. 5 million DKK per year



# Refurbishment – Competences



- Project management experience from large projects!
- Value chain perspective!
- Industrial process know-how and benefit of scale
- Sustainable approach – Social, Environmentally and Economically

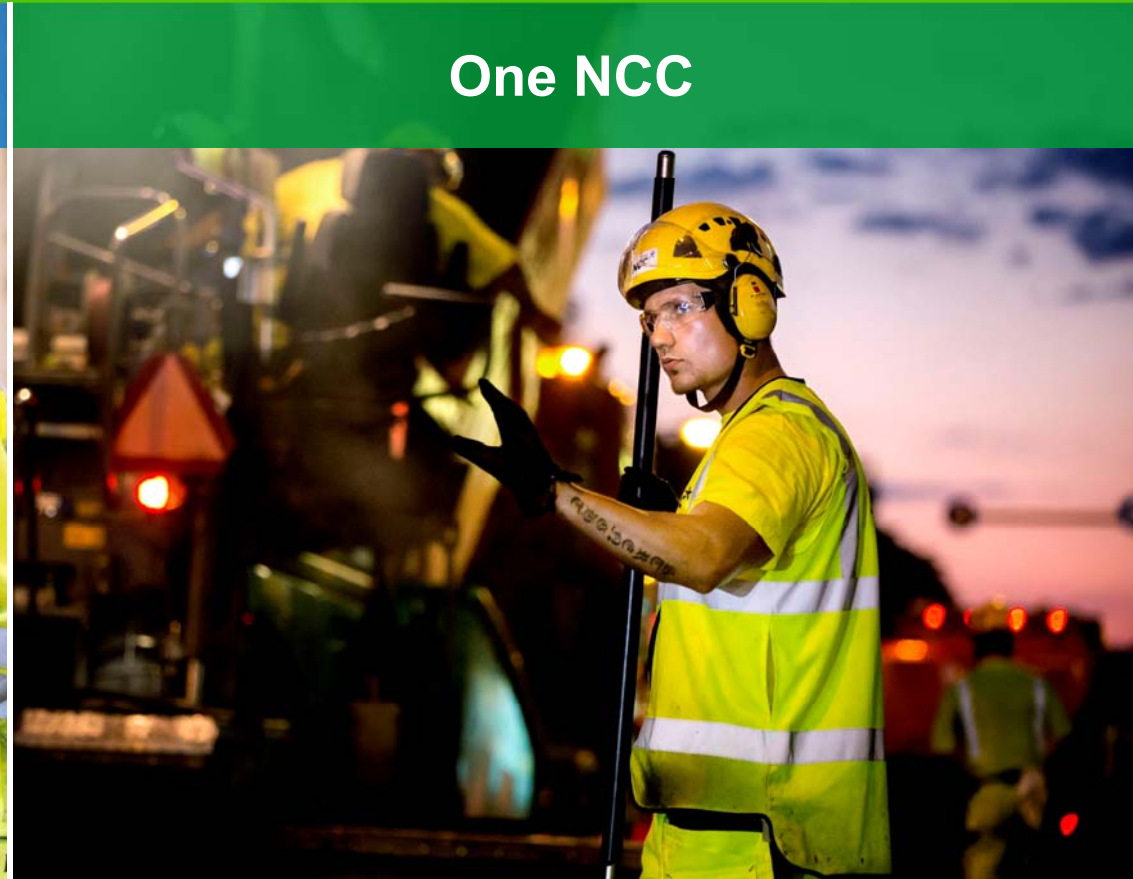


# What do we need?

People



One NCC





# Summary

- The Strategy is clear!
- The ambitions are high!
- The organization will be ready January 1<sup>st</sup> 2016!
- Hard work, investments and time will secure implementation!

