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

<table>
<thead>
<tr>
<th>Schools</th>
<th>Sports facilities</th>
<th>Sustainable offices</th>
<th>Retail</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sustainable residential</td>
<td>ESCO</td>
<td>Refurbishment</td>
<td>Shafts</td>
</tr>
</tbody>
</table>

![Schools Image](image1.png)
![Sports facilities Image](image2.png)
![Sustainable offices Image](image3.png)
![Retail Image](image4.png)
![Sustainable residential Image](image5.png)
![ESCO Image](image6.png)
![Refurbishment Image](image7.png)
![Shafts Image](image8.png)
Product mix 2014 – share of net sales

- Residential: 38%
- Offices: 21%
- Retail: 7%
- Other Buildings e.g. schools, hospitals and sports facilities: 34%
NCC Building – net sales 2014

Share of NCC excl. Housing

NCC Building
SEK 24.8 BN

46%
Geographical markets
Short term actions

Norway

Organization
Renew our industry and provide superior sustainable solutions

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
EBIT > 3.5%

NCC Building

Development
NCC Property Development
Average yearly ROCE > 10%
EBIT > 10%
Must win battle: **Operational Excellence**

- Our way of working
- Technical competence
- Digitalization/VDC
- Purchasing

Renew our industry and provide superior sustainable solutions
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

- Renew our industry and provide superior sustainable solutions
- One NCC
- Operational excellence
- People
- Investment initiatives

NCC
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 residential in Norway and Finland are publicly owned!

475,000 “Public apartments” in Denmark!
## Market value – Scale up from Denmark

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

Source: Dansk Byggeri konjunkturrapport February 2014 & NCC
• Approx. 56% of the total market is considered relevant!
• Approx. SEK 110 BN per year
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\textsuperscript{st} 2016!
• Hard work, investments and time will secure implementation!