



4TH QUARTER 2014

Investor Presentation

Thursday 12 February 2015

CONTENTS

- + Highlights
- + Results - segments and Group
- + Status and priorities



CC Stadion, Hamar

HIGH ACTIVITY LEVEL AND GOOD DEVELOPMENT

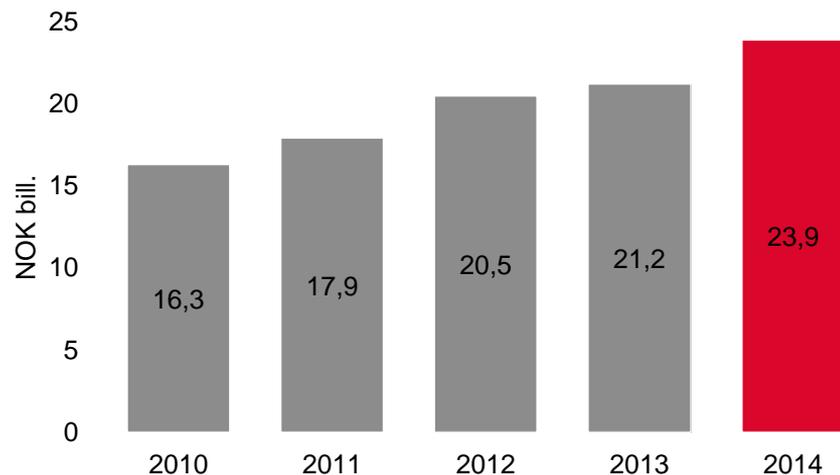
- + Revenue growth
- + Earnings improvement
- + Stable order backlog
- + Solid financial position



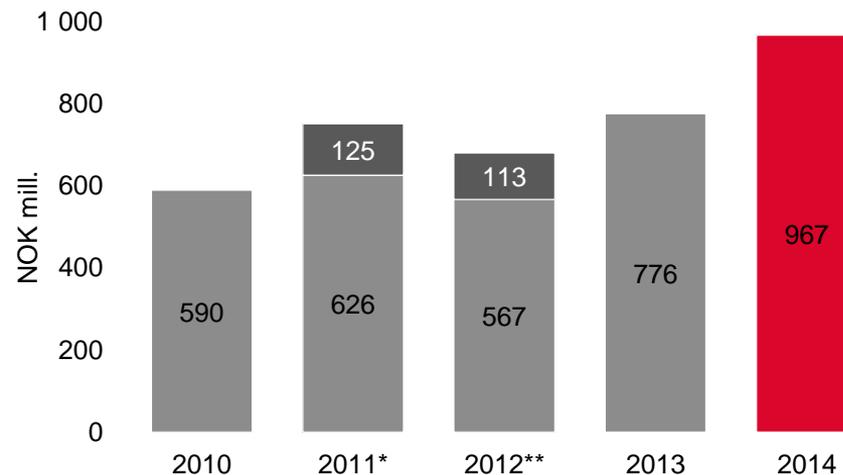
Veidekke Bostad, Stureby, Stockholm

REVENUES AND EARNINGS - FULL-YEAR

REVENUE



PROFIT BEFORE TAX



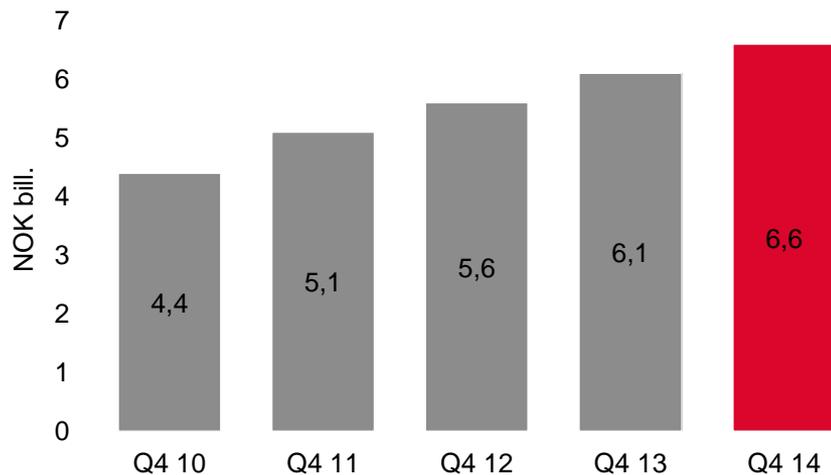
* NOK 125 mill. is related to sales gain from Veidekke Gjenvinning in 2011

** NOK 113 mill. is related to changes in the pension scheme in Norway in 2012

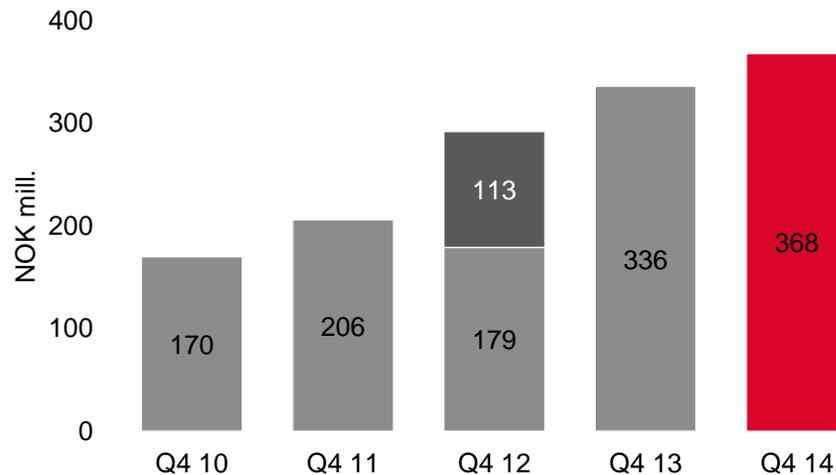


REVENUES AND EARNINGS - 4TH QUARTER

REVENUE



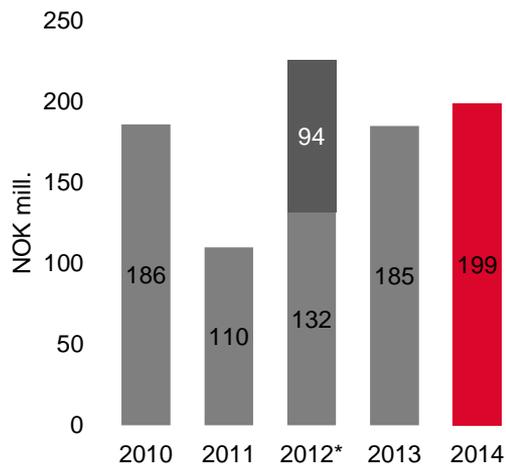
PROFIT BEFORE TAX



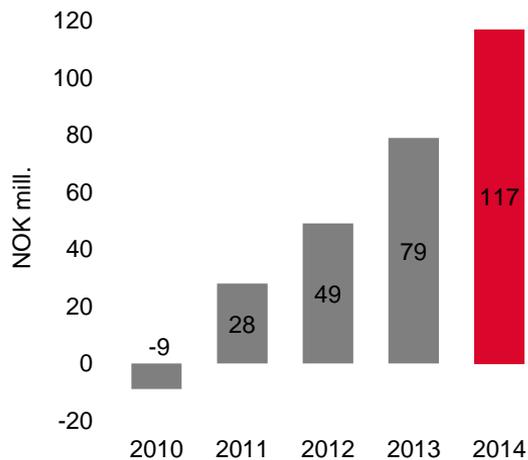
* NOK 113 mill. is related to changes in the pension scheme in Norway in Q4 2012

PROFIT BEFORE TAX

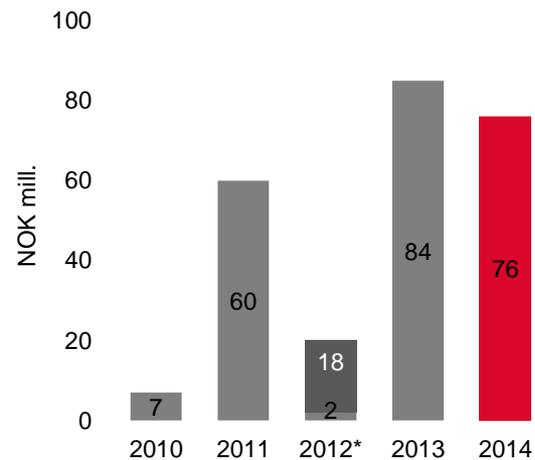
4TH QUARTER: CONSTRUCTION



4TH QUARTER: PROPERTY DEVELOPMENT



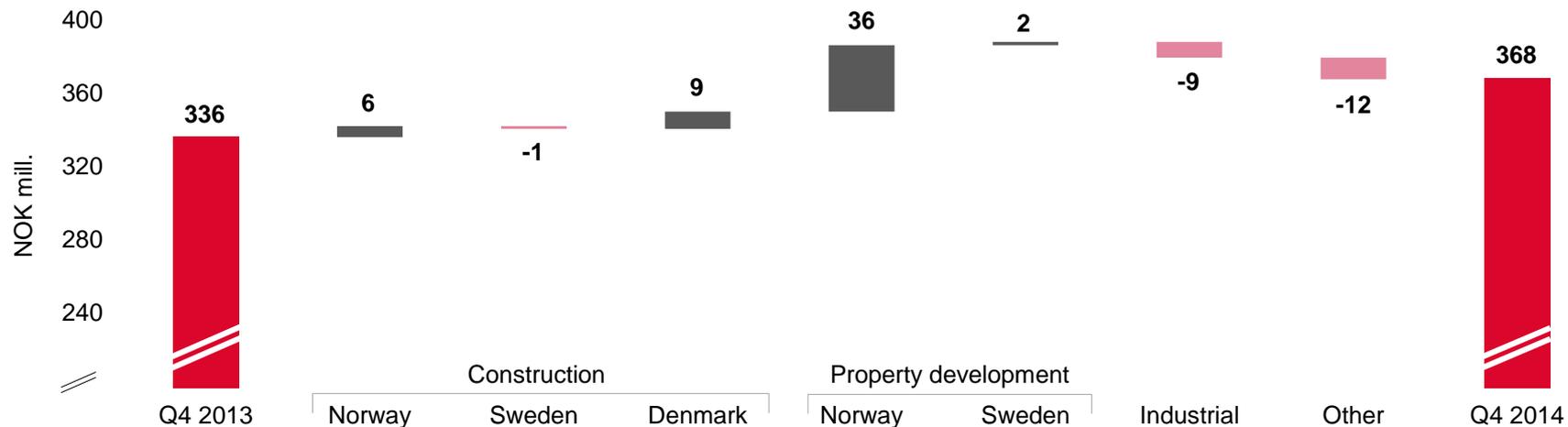
4TH QUARTER: INDUSTRIAL



* NOK 94 mill. and NOK 18 mill. are related to changes in the pension scheme in Norway in Q4 2012

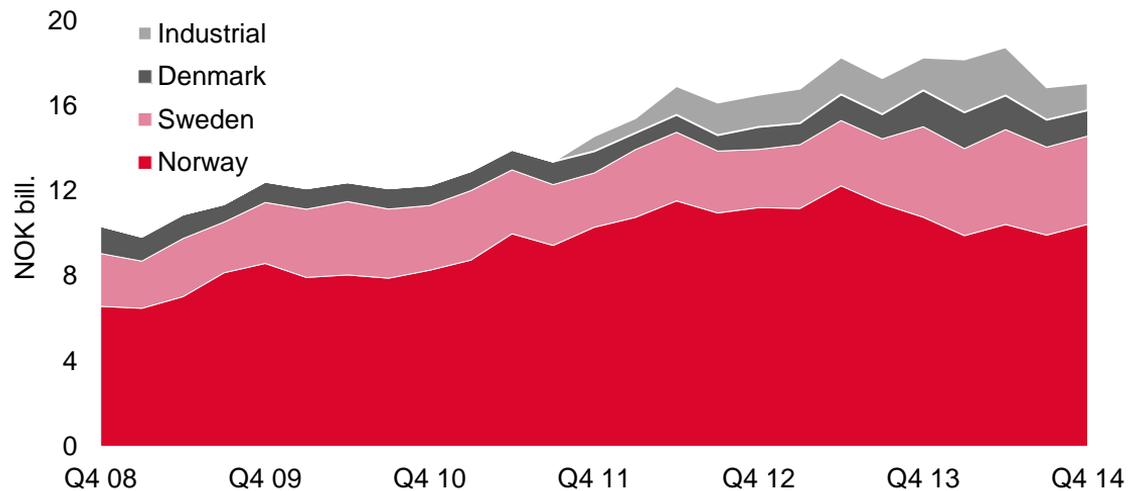
CHANGES IN PROFIT BEFORE TAX

PROFIT BEFORE TAX

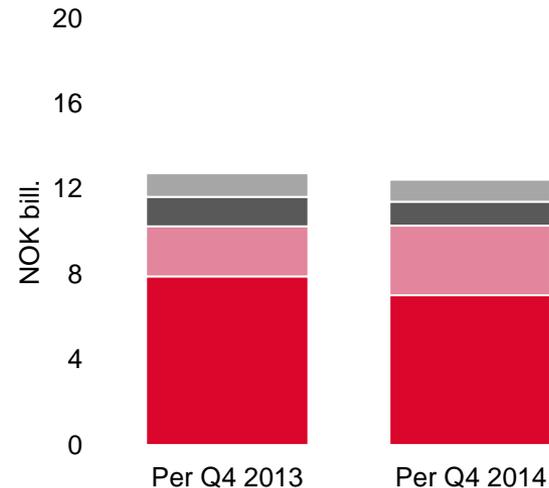


ORDER BACKLOG

ORDER BACKLOG



ORDERS IN REVENUE NEXT 12 MONTHS

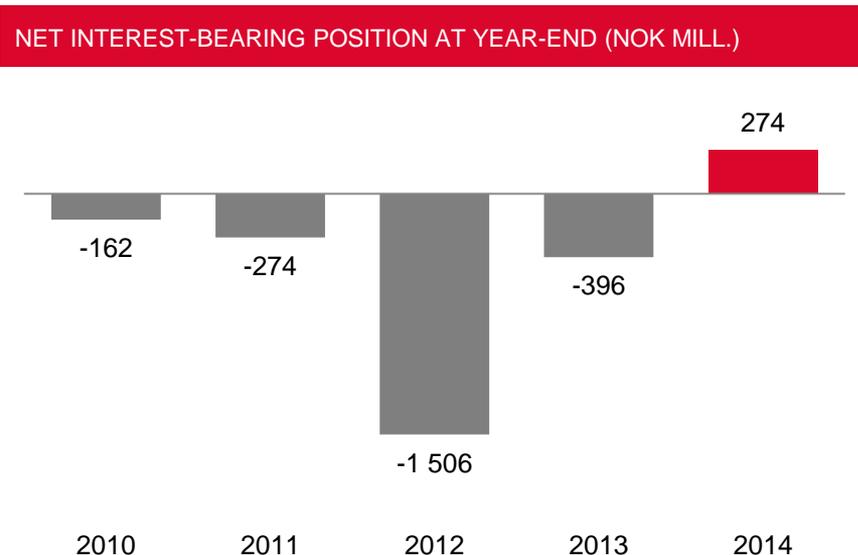


FINANCIAL POSITION

+ Net cash position

- Good project liquidity in Construction
- Less capital tied-up in Property Development

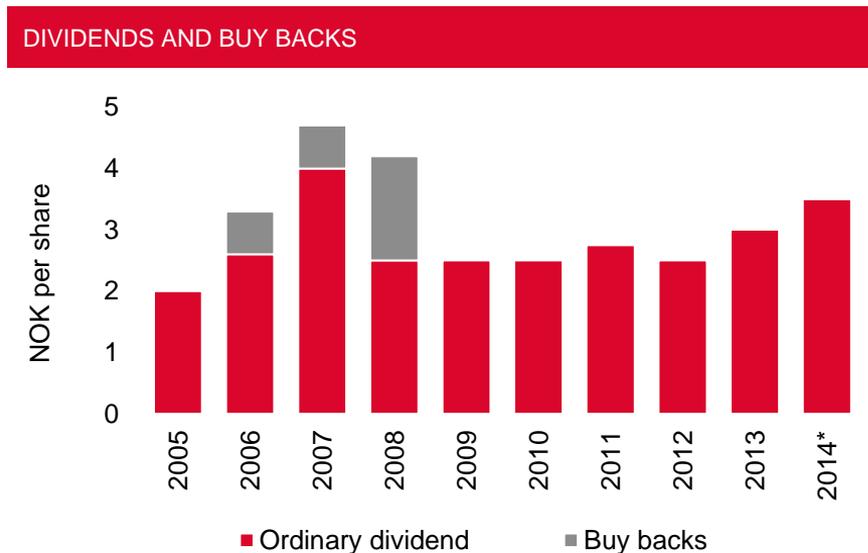
+ Expecting land acquisitions and increased capital tied-up in Property Development



DIVIDENDS 2014

- + Earnings per share*: NOK 6.3 (4.1)
- + Proposed dividend: NOK 3.5 (3.0)
- + Dividend pay-out ratio: 55% (74%)

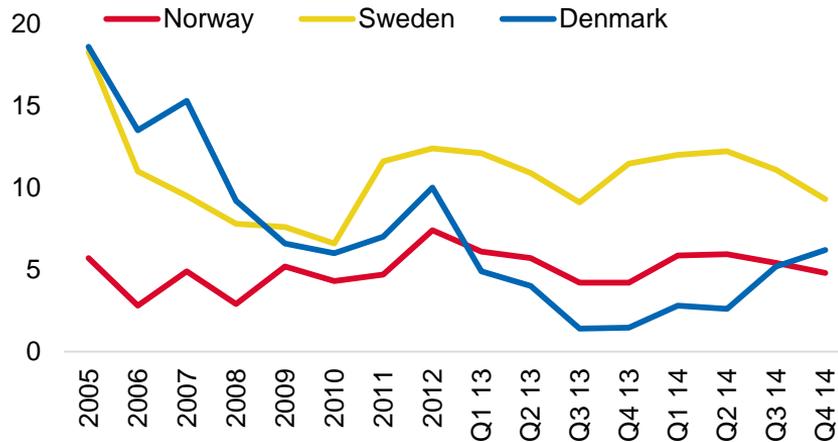
* From the Consolidated Financial Statement (IFRS)



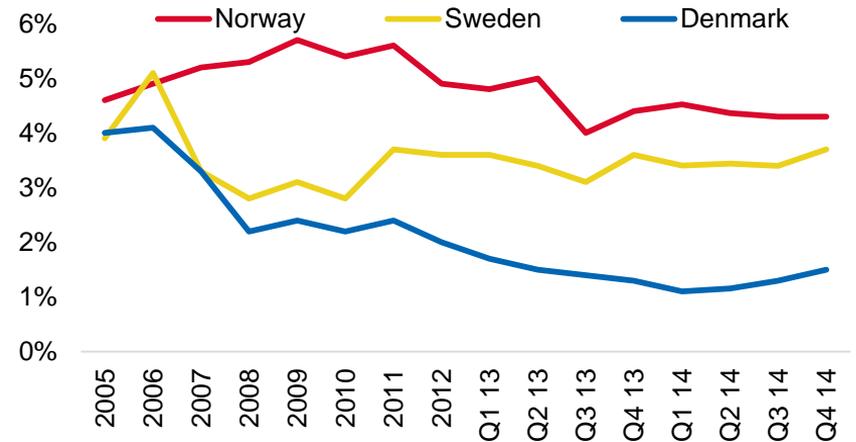
* Proposal for 2014

OCCUPATIONAL HEALTH AND SAFETY

LTI RATE (NUMBER OF LOST-TIME INJURIES PER MILLION HOURS WORKED)



SICKNESS ABSENCE (PERCENT)





—
Improvement in all
business areas
—

—
Strong financial
position
—

—
Positive outlook
—



StreetDome on South Jutland: the largest street sport facility in Northern Europe

BUSINESS AREAS

BUSINESS AREAS, 4TH QUARTER

Amounts in NOK million	Q4 2014			Q4 2013		
	Revenue	Profit	Margin	Revenue	Profit	Margin
Construction Norway	3 196	145	4.5 %	3 413	139	4.1 %
Construction Sweden	1 353	8	0.6 %	1 097	9	0.9 %
Construction Denmark	485	46	9.5 %	392	37	9.4 %
Total Construction	5 034	199	4.0 %	4 902	185	3.8 %
Property Development Norway	198	82	42.0 %	244	46	18.8 %
Property Development Sweden	569	35	6.1 %	252	33	13.2 %
Total Property Development	766	117	15.3 %	496	79	15.9 %
Veidekke Industrial	1 114	76	6.8 %	1 051	84	8.0 %
Other	-295	-25	-	-303	-13	-
Total Group	6 619	368	5.6 %	6 146	336	5.5 %

CONSTRUCTION NORWAY

- + 6% decrease in revenues
 - Increase in Building Construction, decrease in Civil Engineering
- + Good result and further margin improvement
 - Good margins in Building Construction
 - Stable margins in Civil Engineering
- + Order backlog up 5% in the quarter
 - Stable order backlog in Building Construction
 - Strong order intake so far in 2015
 - Increased order backlog in Civil Engineering
 - Large road project in Bodø, Norway

	4 th quarter		Full year	
Amounts in NOK million	2014	2013	2014	2013
Revenue	3 196	3 413	11 878	12 132
Operating profit (EBIT)	127	134	356	334
Net financial items	18	5	67	26
Profit before tax (EBT)	145	139	423	360
Profit margin (%)	4.5%	4.1%	3.6%	3.0%
<hr/>				
Order backlog	10 437	10 769	10 437	10 769

CONSTRUCTION SWEDEN

- + 23% increase in revenues
 - Increase in Building Construction, decrease in Civil Engineering
- + Still weak results
 - Loss in parts of the building construction operations and in the tunnel operations
 - Good profitability in the other civil engineering operations
- + Improve profitability has high priority
 - Reorganisation of tunnel operations
 - The Building Construction Stockholm organisation strengthened
- + Positive market development
 - Infrastructure projects and strong demand for residential housing

	4 th quarter		Full year	
Amounts in NOK million	2014	2013	2014	2013
Revenue	1 353	1 097	4 804	3 499
Operating profit (EBIT)	18	10	35	13
Net financial items	-10	-1	-16	-1
Profit before tax (EBT)	8	9	19	11
Profit margin	0.6%	0.9%	0.4%	0.3%
Order backlog	4 164	4 250	4 164	4 250

CONSTRUCTION DENMARK

- + 24% increase in revenues
 - High activity level in connection with three large commercial buildings
- + Very strong margins
- + A few large projects make the order backlog volatile
 - Contracts based on customer and supplier involvement
- + Reduced order backlog implies lower revenue in 2015
 - Still a demanding market

	4 th quarter		Full year	
Amounts in NOK million	2014	2013	2014	2013
Revenue	485	392	1 820	1 336
Operating profit (EBIT)	43	32	98	66
Net financial items	2	5	10	9
Profit before tax (EBT)	46	37	108	74
Profit margin	9.5%	9.4%	5.9%	5.6%
Order backlog	1 209	1 709	1 209	1 709

PROPERTY DEVELOPMENT NORWAY

- + A strong result
 - Significant property development gains in the quarter
- + Return on invested capital of 14.1%*
- + Lower production
 - Several larger projects completed
- + High sales volume on new projects
- + Strengthened land bank in the Oslo area
 - Nydalen, approx. 250 units with sale start in 2016

Amounts in NOK million	4 th quarter		Full year	
	2014	2013	2014	2013
Revenue	198	244	746	1 070
Operating profit (EBIT)	92	44	185	160
Net financial items	-10	2	-10	10
Profit before tax (EBT)	82	46	175	170
Invested capital	1 947	2 017	1 947	2 017
Number of units sold	59	35	246	307
Number of units started	57	100	158	343
Units under construction	399	749	399	749
Sales ratio (under construction)	68%	71%	68%	71%

*12 months rolling

PROPERTY DEVELOPMENT SWEDEN

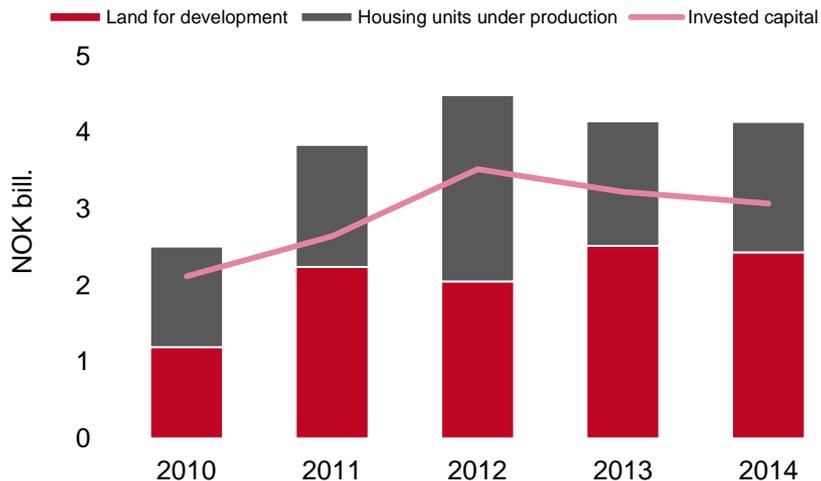
- + Significant increase in revenues
 - Increased residential sales
 - Project sales
- + Stable earnings
 - Property development gains realised in the quarter
- + Return on invested capital of 12.8%*
- + High sales volume and increasing production
- + Strengthened land bank in Stockholm

Amounts in NOK million	4 th quarter		Full year	
	2014	2013	2014	2013
Revenue	569	252	1 529	713
Operating profit (EBIT)	40	30	108	55
Net financial items	-5	4	-3	-4
Profit before tax (EBT)	35	33	105	51
Invested capital	1 124	1 207	1 124	1 207
Number of units sold	105	97	524	382
Number of units started	59	204	394	485
Units under construction	750	720	750	720
Sales ratio (under construction)	89%	76%	89%	76%

*12 months rolling

CAPITAL TIED-UP - PROPERTY

CAPITAL DEVELOPMENT



STATUS PER YEAR-END 2014 (AMOUNTS IN NOK BILL.)

Invested capital:	3.0
• Norway	1.9
• Sweden	1.1
Maximum invested capital	3.5
Total assets:	4.2
• Housing units under construction	1.7
• Land Norway	1.2
• Land Sweden	1.3

INDUSTRIAL

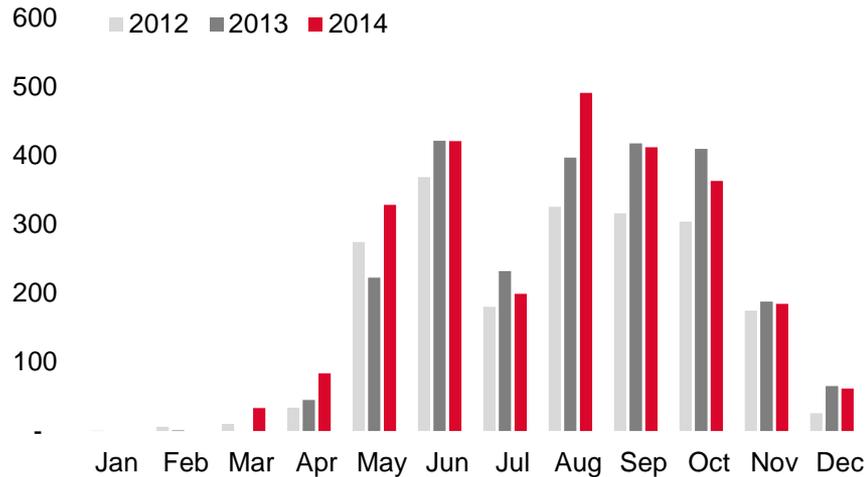
- + A strong quarter
 - High revenues and a good result
 - The increased revenues are primarily due to Road Maintenance
- + Asphalt: Seasonally good result
- + Road Maintenance: Improved margins
- + Aggregates: Good earnings
- + Change in the order backlog mix
 - Fewer contracts for asphaltting of new road projects
 - Increased order backlog for Road Maintenance

	4 th quarter		Full year	
Amounts in NOK million	2014	2013	2014	2013
Revenue	1 114	1 050	4 127	3 476
Operating profit (EBIT)	78	88	239	178
Net financial items	-2	-3	-29	-20
Profit before tax (EBT)	76	84	210	158
Profit margin	6.8 %	8.0 %	5.1 %	4.6 %
Order backlog	1 274	1 545	1 274	1 545

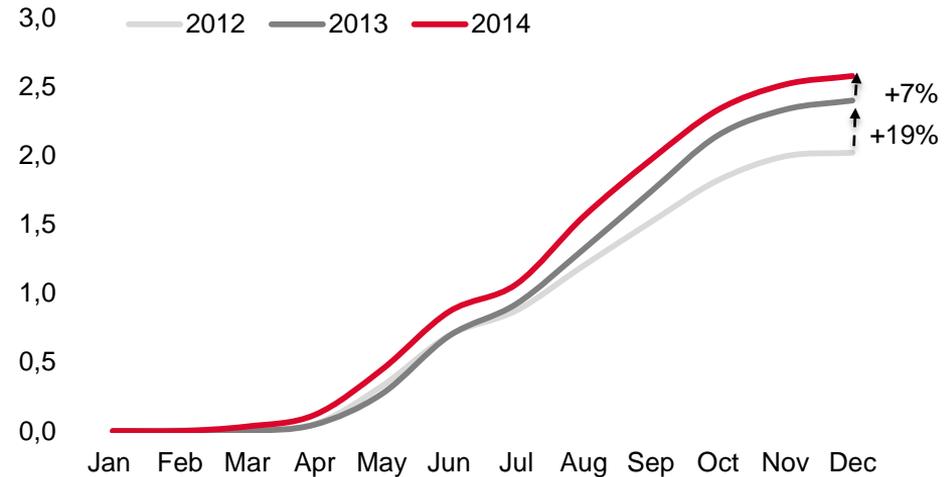
Amounts in NOK million (2014)	Asphalt	Aggregates	Maintenance
Revenue	2 763	968	396
Profit before tax (EBT)	145	22	43

VOLUME DEVELOPMENT ASPHALT

ASPHALT PRODUCTION (THOUSAND TONNES)



ACCUMULATED ASPHALT PRODUCTION (MILLION TONNES)





Classified road 80, Bodø

FINANCIAL STATEMENTS

IFRS

INCOME STATEMENT

Amounts in NOK million	4 th quarter		Full year	
	2014	2013	2014	2013
Revenue	6 719	6 582	24 027	21 781
Operating expenses	-6 290	-6 168	-22 861	-20 833
Share of net income from associates and J/Vs	83	30	217	65
Depreciation/impairment	-91	-90	-338	-321
Operating profit	421	355	1 045	692
Net financial income	-22	-1	10	27
Profit before tax	399	354	1 055	718
Income tax expense	-64	-81	-196	-163
Profit after tax	335	273	859	556
of which non-controlling interests	2	8	16	12
Profit after tax (net)	333	265	843	544
Earnings per share (NOK)	2.5	2.0	6.3	4.1
Profit before tax, segment	368	336	967	776

BALANCE SHEET – ASSETS

Amounts in NOK million

	31.12.2014	31.12.2013
Goodwill and other intangible assets	914	880
Deferred tax assets	54	55
Land and buildings	501	499
Plant and machinery	1 389	1 230
Investments in associates and joint ventures	1 151	908
Financial assets	408	417
Total non-current assets	4 416	3 990
Non-residential and residential projects	2 797	3 148
Inventories	255	308
Trade and other receivables	4 068	3 457
Cash and cash equivalents	847	764
Total current assets	7 966	7 676
Total assets	12 382	11 666

BALANCE SHEET – EQUITY AND LIABILITIES

Amounts in NOK million	31.12.2014	31.12.2013
Equity	2 744	2 466
Pensions and deferred tax liabilities	744	558
Bonds	750	750
Amounts due to credit institutions	73	53
Other non-current liabilities	104	36
Total non-current liabilities	1 671	1 398
Commercial papers and debt to credit institutions	55	672
Trade payables and warranty provisions	3 957	3 769
Public duties and taxes payable	845	669
Other current liabilities	3 109	2 691
Total current liabilities	7 967	7 802
Total equity and liabilities	12 382	11 666
Net interest-bearing position	274	-396

STATEMENT OF CASH FLOWS

Amounts in NOK million	2014					2013
	Construction and Other	Property development	Industrial	Dividend	Group	Group
Profit before tax	565	280	210	-	1 055	718
Depreciation/impairment	192	1	145	-	338	321
Other working capital	10	371	-27	-	353	608
Cash flow from operating activities	767	652	327	-	1 746	1 648
Acquisition/disposal of PPE	-235	18	-186	-	-404	-137
Other investing activities	-227	50	8	-	-168	33
Cash flow from investing activities	-462	68	-178	-	-572	-104
Dividend paid	-	-	-	-401	-401	-334
Other financial items	30	-103	-31	-	-104	-100
Cash flow from financing activities	30	-103	-31	-401	-505	-434
Change in net interest-bearing liabilities	334	618	118	-401	669	1 110
Invested capital at 31.12	-496	3 071	1 000	-	3 575	3 942



STATUS AND PRIORITIES



QUALITY AND SCOPE OF OUR DELIVERIES



CC Stadium, Hamar



Bjørnsletta school



E16 - Slomarka-Kongsvinger



Vestfold railroad



Kvarteret Perukmakaren, Gothenburg



Microsoft's main office in Denmark



Classified road 13, Norway



Lomma-Läge, Skåne



Äppelblom, Gothenburg



Marienfyrd, Oslo



2.6 million tonnes asphalt produced in 2014

DROP IN OIL PRICE– HOW WILL IT IMPACT VEIDEKKE?

\$150

Mange tusen oljejobber kuttes

\$100

Norsk alenegang

Norge klarte seg best av ti land etter finanskrisen. Gir oljekrise bunn plass

Norsk fastlands-økonomi plasserer seg på topp i syv av ni økonomiske nøkkeltall som DN har analysert for ti land. Norge har den høyeste økonomiske veksten (bnp), den største økningen i privatforbruket, det laveste produksjonsgapet, den høyeste sysselsettingen, det største overskuddet på driftsbalansen, den laveste statsgjelden (brutto) og den største statsformuen (nettogjelden).

De to nøkkeltallene hvor Fastlands-Norge ikke er på topp



Det som har størst betydning for veksten på fastlandet er nedgangen i investeringer på norsk sokkel som følge av lavere langsiktig oljepris.

RAKETTER PÅ OSLO BORS 13 AKSJER I ALL-TIME HIGH

De er oljekrakkets vinnere

\$50

\$0



Hardt slag for norsk økonomi

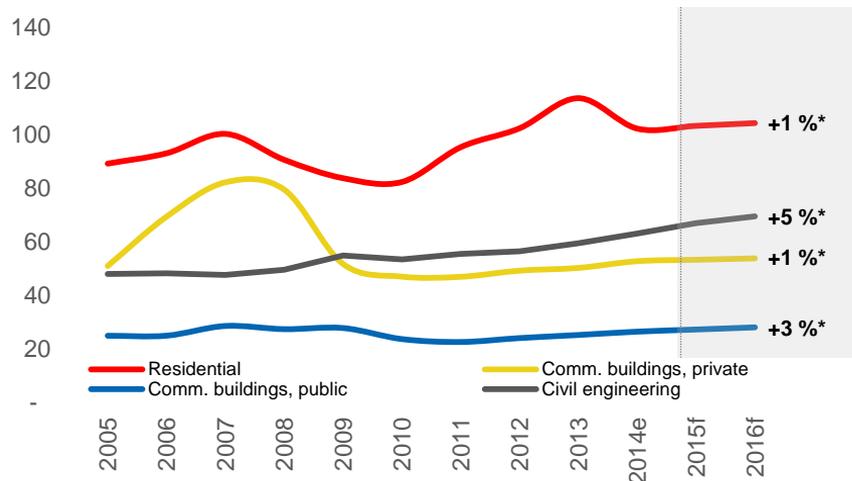
MARKET OUTLOOK 2015 AND 2016

NORWAY

+ The oil sector negatively impacts the economic growth

- Uncertain duration and effect
 - A moderate market growth for residential and private commercial buildings is likely, but regional differences
- There are also positive factors
 - Lower interest rates, infrastructure and traditional industry
- Assumed net effect
 - Continued growth, but dominated by the public sector

INVESTMENTS IN CONSTRUCTION, NOK BILL. (2011)



* Estimated annual growth rate (CAGR) 2014-16

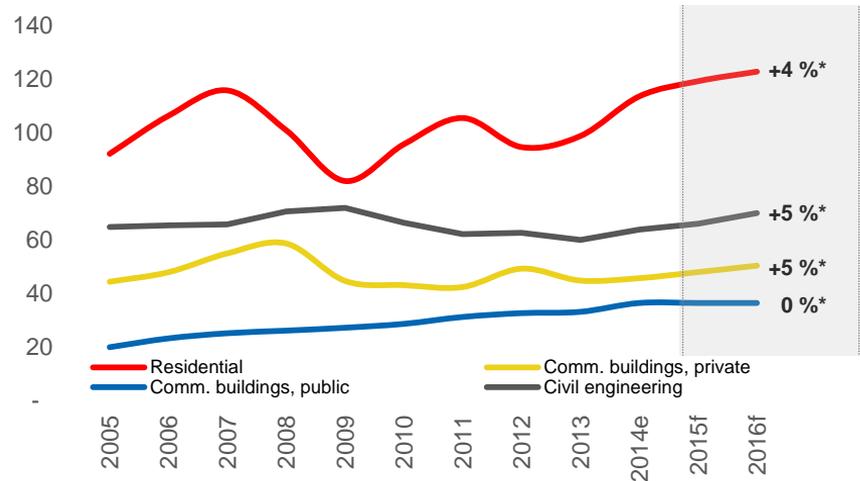
Source: Veidekke. Exchange rate per 4th quarter 2014

MARKET OUTLOOK 2015 AND 2016

SWEDEN

- + Still high economic activity – low interest rates
 - Strong residential market
 - Increased growth rate for private commercial buildings
- + Public commercial buildings levelling out after long period of growth
- + Increased activity within civil engineering
 - Investment growth in the road and energy sectors
 - Förbifart Stockholm and Slussen initiated

INVESTMENTS IN CONSTRUCTION, SEK BILL. (2011)



* Estimated annual growth rate (CAGR) 2014-16

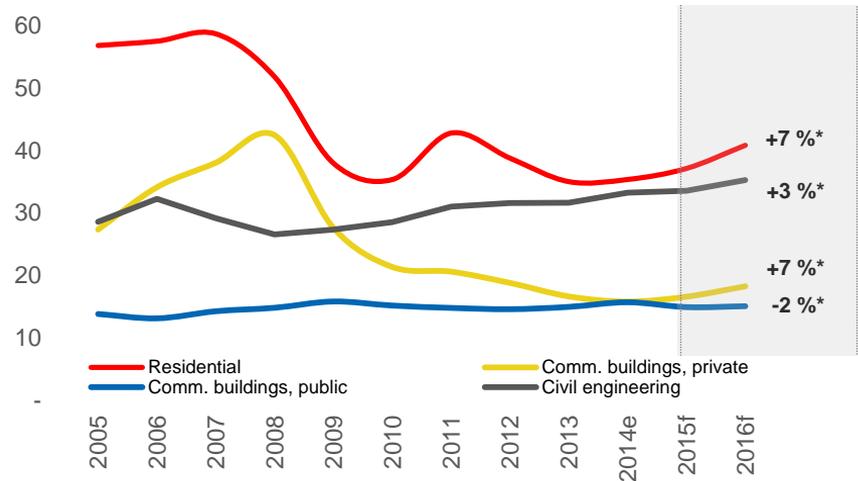
Source: Veidekke. Exchange rate per 4th quarter 2014

MARKET OUTLOOK 2015 AND 2016

DENMARK

- + Improved economic activity
 - GDP growth towards 2% in 2016
 - Strong development in government finances
- + Increased growth rate in the private segments
- + Copenhagen area and some larger cities most important for the growth

INVESTMENTS IN CONSTRUCTION, DKK BILL. (2011)



* Estimated annual growth rate (CAGR) 2014-16

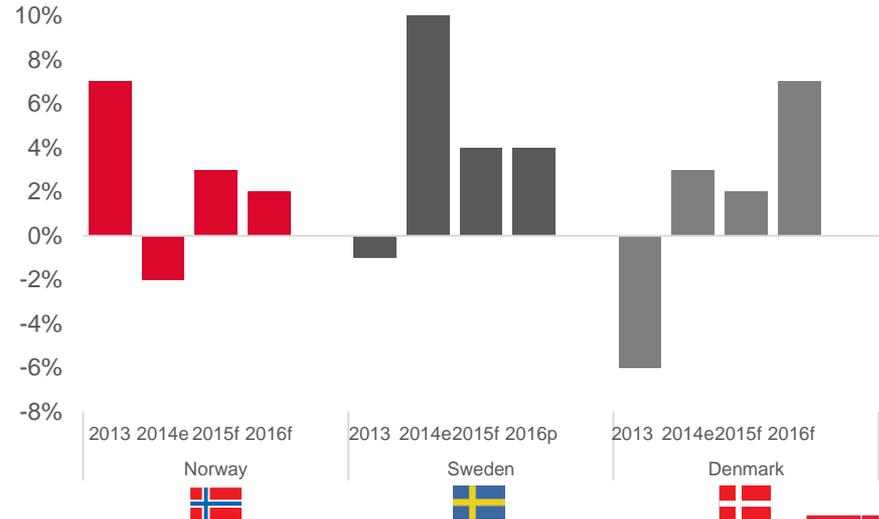
Source: Veidekke. Exchange rate per 4th quarter 2014

MARKET OUTLOOK 2015 AND 2016

CONSTRUCTION

- + A high growth rate is expected for the Scandinavian construction market in 2015 and 2016
- + Highest market growth in Sweden
 - High growth rate in Denmark too, but from a low level
- + Growth dominated by the public sectors in Norway
- + Private sector with most progress in Sweden and Denmark

ANNUAL GROWTH PROGNOSIS FOR INVESTMENTS IN CONSTRUCTION



CONSTRUCTION



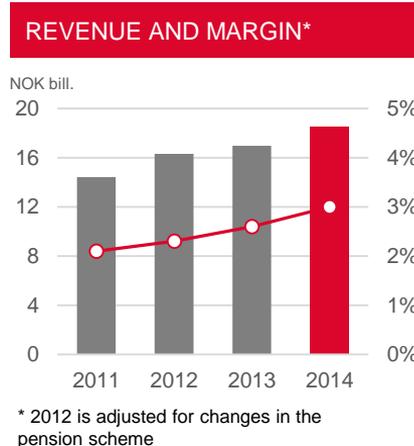
E18 Gulli-Langåker, Norway



The Winery Hotel, Stockholm



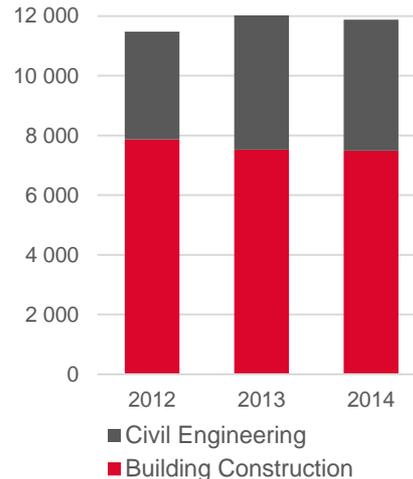
Copenhagen Designer Outlets



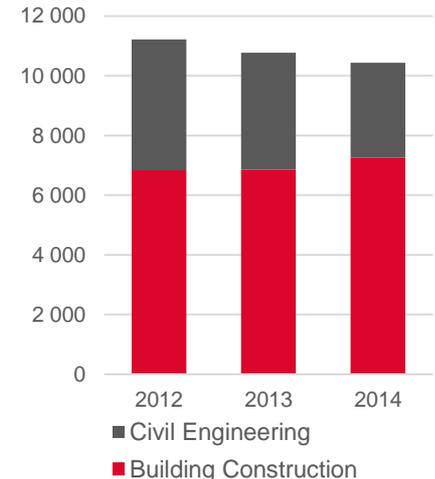
CONSTRUCTION NORWAY

- + Strong position in all segments
- + Increasing profitability
 - Margins up in 2014; Building Construction 4.2%, Civil Engineering 2.3%
 - Several business units reached profitability targets
- + Strong order intake in Building Construction
- + High activity level in the infrastructure market and several projects are in the tender phase
 - Large infrastructure contract signed in Bodø

REVENUE (NOK MILL.)



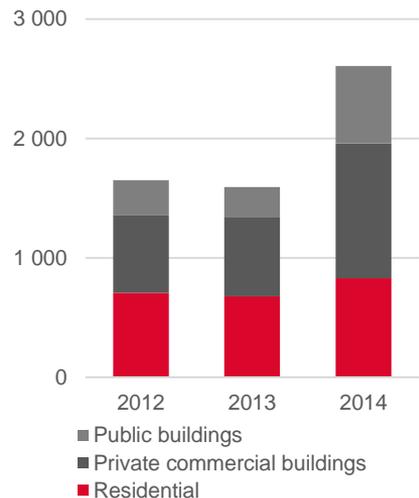
ORDER BACKLOG (NOK MILL.)



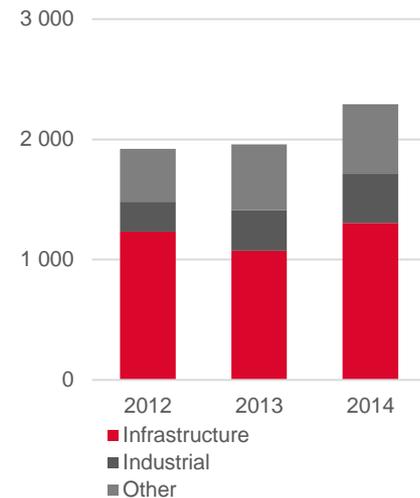
CONSTRUCTION SWEDEN

- + Our position is strengthened
 - Commercial buildings and residential
 - Civil engineering
- + Focus on negotiated contracts
 - Contract for SEB's new office signed in 2014
- + Improve profitability

REVENUE BUILDING
CONSTRUCTION (NOK MILL.)



REVENUE CIVIL ENGINEERING
(NOK MILL.)



CONSTRUCTION DENMARK

- + High activity level in 2014, large private commercial projects completed
- + Very good profitability
- + Project approach based on customer and supplier involvement
- + Lower activity level expected for 2015



PROPERTY DEVELOPMENT



Södesärlan, Stockholm

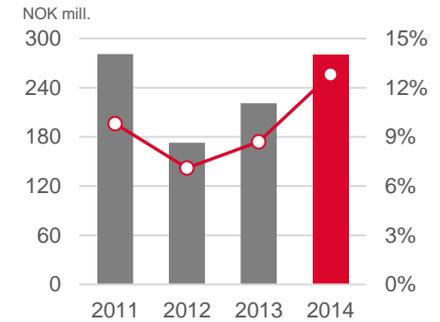


Sørengstranda, Oslo



Veidekke MAX, Sweden

RESULTS AND ROIC*



* Return on Invested Capital

LARGE DEVELOPMENT PROJECTS

NYE LILLEBY, TRONDHEIM



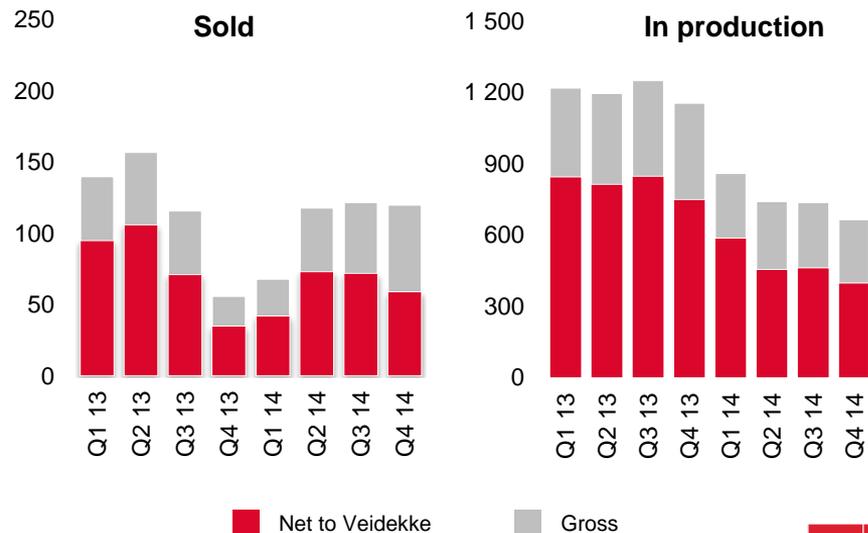
SVEA FANFAR, STOCKHOLM



PROPERTY DEVELOPMENT NORWAY

- + Renewal of project portfolio
 - Large projects in Oslo completed
 - Start-up of new large projects in Oslo and Trondheim
- + Production level influenced by low sales in 2013
- + Increasing sale in recent months
- + Land bank in the Oslo region strengthened

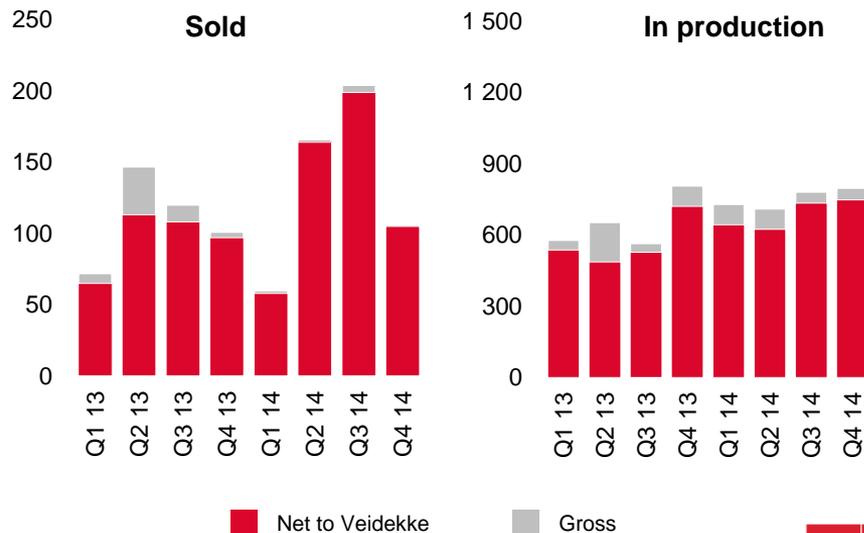
NORWAY: NO. OF UNITS SOLD AND IN PRODUCTION, END OF QUARTER



PROPERTY DEVELOPMENT SWEDEN

- + Capitalised on a good market
- + Strong sales and production
- + Start-up of several large projects in Stockholm
- + Land bank in Stockholm strengthened

SWEDEN: NO. OF UNITS SOLD AND IN PRODUCTION, END OF QUARTER



INDUSTRIAL



Asphalt

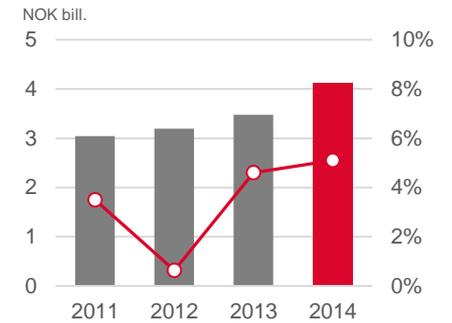


Aggregates



Road Maintenance

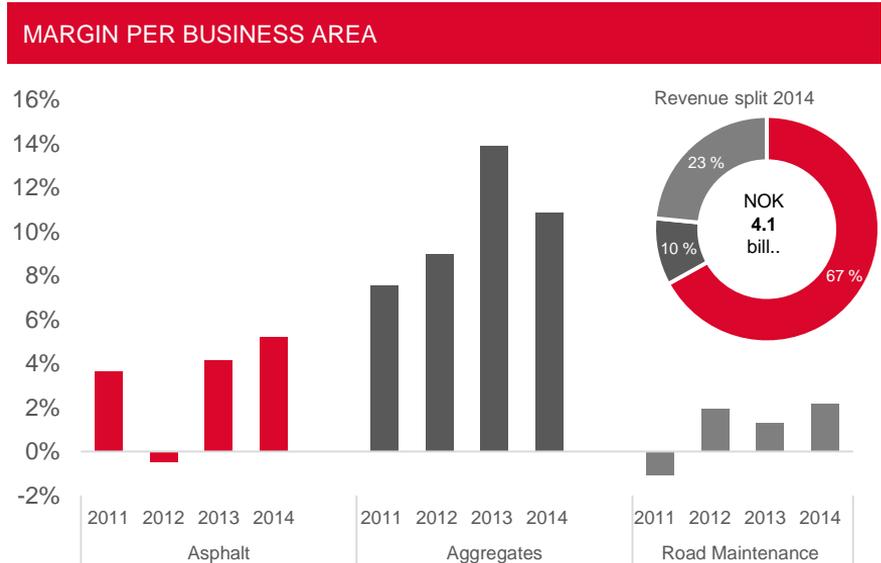
REVENUE AND MARGIN*



* Adjusted for sales gain in 2011 and for changes in the pension scheme in 2012

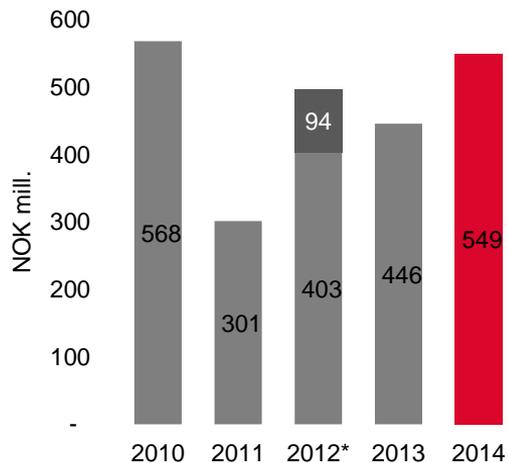
INDUSTRIAL BUSINESS AREAS

- + Asphalt: Market leader with 35% share
 - Price- and market strategies
 - Cost efficiency
- + Aggregates: Strong local positions
 - Positioning towards growth areas
- + Road Maintenance: Second largest player with 15% market share
 - Focus on project execution and profitability

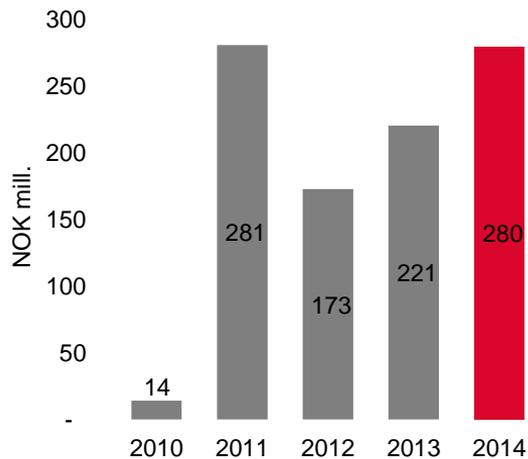


RESULT BEFORE TAX PER BUSINESS AREA

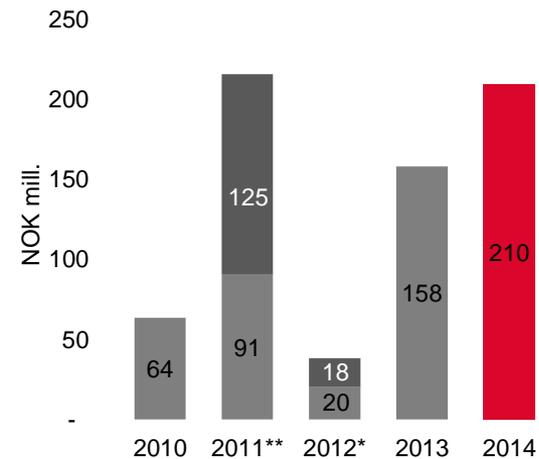
CONSTRUCTION



PROPERTY DEVELOPMENT



INDUSTRIAL



* NOK 94 mill. and NOK 18 mill. are related to changes in the pension scheme in Norway in 2012

** NOK 125 mill. is related to sales gain from Veidekke Gjenvinning in 2011

OUR MISSION

OBTAIN PROJECTS

> CUSTOMER



- + The right project
- + The right customer solution

EXECUTE PROJECTS

> PROJECT



- + Good production
- + Completion and handover

FINANCIAL GOALS AND RESULTS

BUSINESS AREA	LONG TERM GOAL		AVG 2011-13	2014
Construction	Margin (EBT)	5.0%	2.6%	3.0%
Norway			2.7%	3.6%
Sweden			1.5%	0.4%
Denmark			4.4%	5.9%
Industrial	Margin (EBT)	6.5%	2.9%	5.1%
Property Development	Return on invested capital	15.0%	7.6%	13.0%
Norway			10.2%	14.1%
Sweden			4.7%	12.8%



Silje Theodorsen, Team Veidekke Nord-Norge

OUR STRATEGIC PRIORITIES

CONSTRUCTION



- + Customer- and market strategies
- + Succeed in the infrastructure segment
- + Increase profitability in Sweden

PROPERTY DEVELOPMENT



- + Strengthen the land bank in the largest cities
- + Develop new projects

INDUSTRIAL



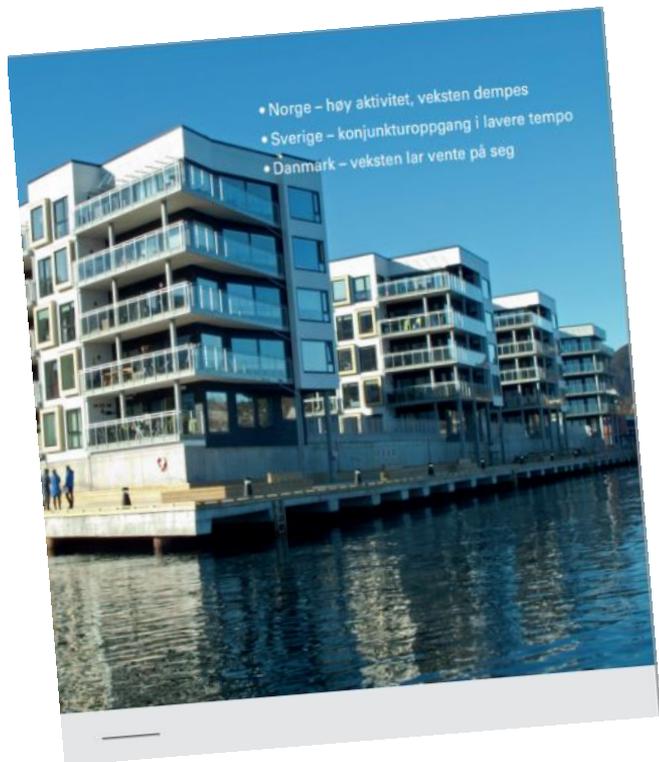
- + Market positioning
- + Cost efficiency and further improvement of operations



—
Improvement in all
business areas
—

—
Strong financial
position
—

—
Positive outlook
—



VEIDEKKE'S UPCOMING REPORTS

- Economic activity: 9 March 2015
- 1st quarter: 6 May 2015



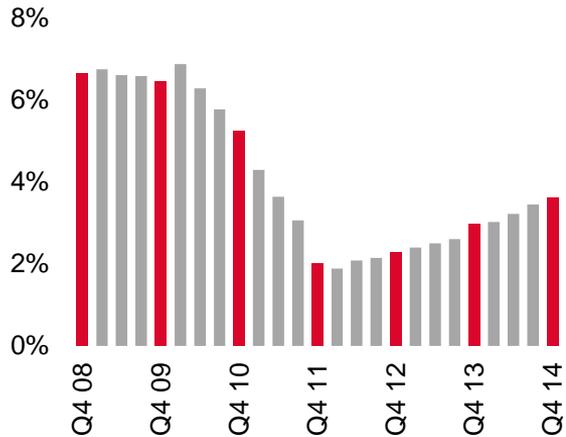
APPENDIX

BUSINESS AREAS

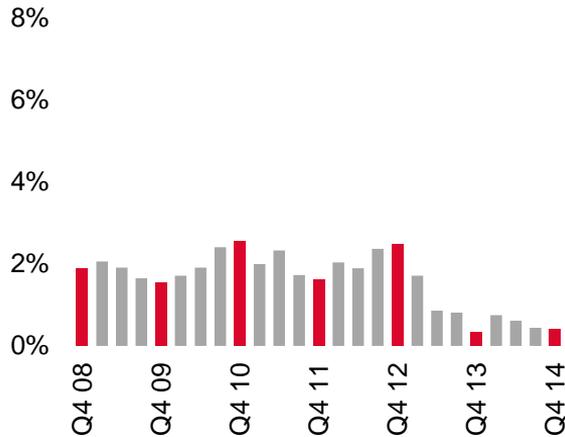
Amounts in NOK million	2014			2013		
	Omsetning	Resultat	Margin	Omsetning	Resultat	Margin
Construction Norway	11 878	423	3.6%	12 132	360	3.0%
Construction Sweden	4 804	19	0.4%	3 499	11	0.3%
Construction Denmark	1 820	108	5.9%	1 337	74	5.6%
Total Construction	18 502	549	3.0%	16 968	446	2.6%
Property Development Norway	748	175	23.5%	1 070	170	15.9%
Property Development Sweden	1 529	105	6.9%	713	51	7.1%
Total Property Development	2 276	280	12.3%	1 783	221	12.4%
Veidekke Industrial	4 127	210	5.1%	3 476	158	4.6%
Other	-1 042	-73	-	-1 035	-49	-
Total Group	23 863	967	4.1%	21 191	776	3.7%

PROFIT MARGIN CONSTRUCTION

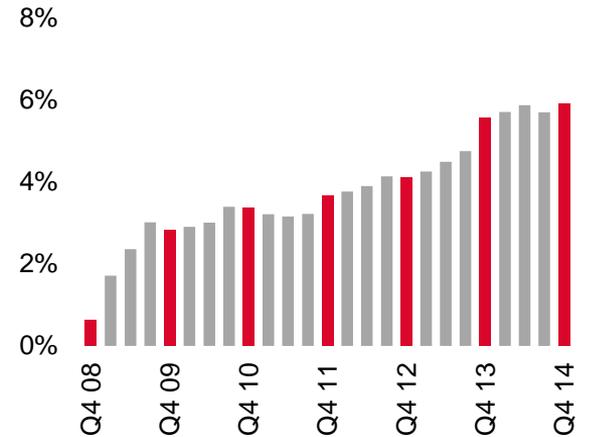
CONSTRUCTION NORWAY



CONSTRUCTION SWEDEN



CONSTRUCTION DENMARK (HOFFMANN)



12 months rolling

HOUSING PORTFOLIO

Property	Under construction	Completed	Start-up	Under construction	Completed	Start-up	Under construction
Housing portfolio - Net	at 31 Dec. 2012	2013	2013	at 31 Dec. 2013	2014	2014	at 31 Dec. 2014
Construction - number of homes							
Norway	906	-500	343	749	-508	158	399
Sweden	371	-135	485	720	-347	377	750
Total under construction	1 277	-635	828	1 469	-855	535	1 149
Of which sold							
Norway	722			533			272
Sweden	293			548			667
Total sold under construction	1 015			1 081			939
Sales rate %	80 %			74 %			82 %
Completed unsold homes							
Norway	10			16			32
Sweden	13			6			9
Denmark	-			-			-
Total completed unsold homes	23			22			41
Number of projects under construction							
Norway	25	-14	12	23	-17	10	16
Sweden	7	-2	9	14	-7	6	13
Total projects under construction	32	-16	21	37	-24	16	29