



SEB Enskilda Nordic Seminar

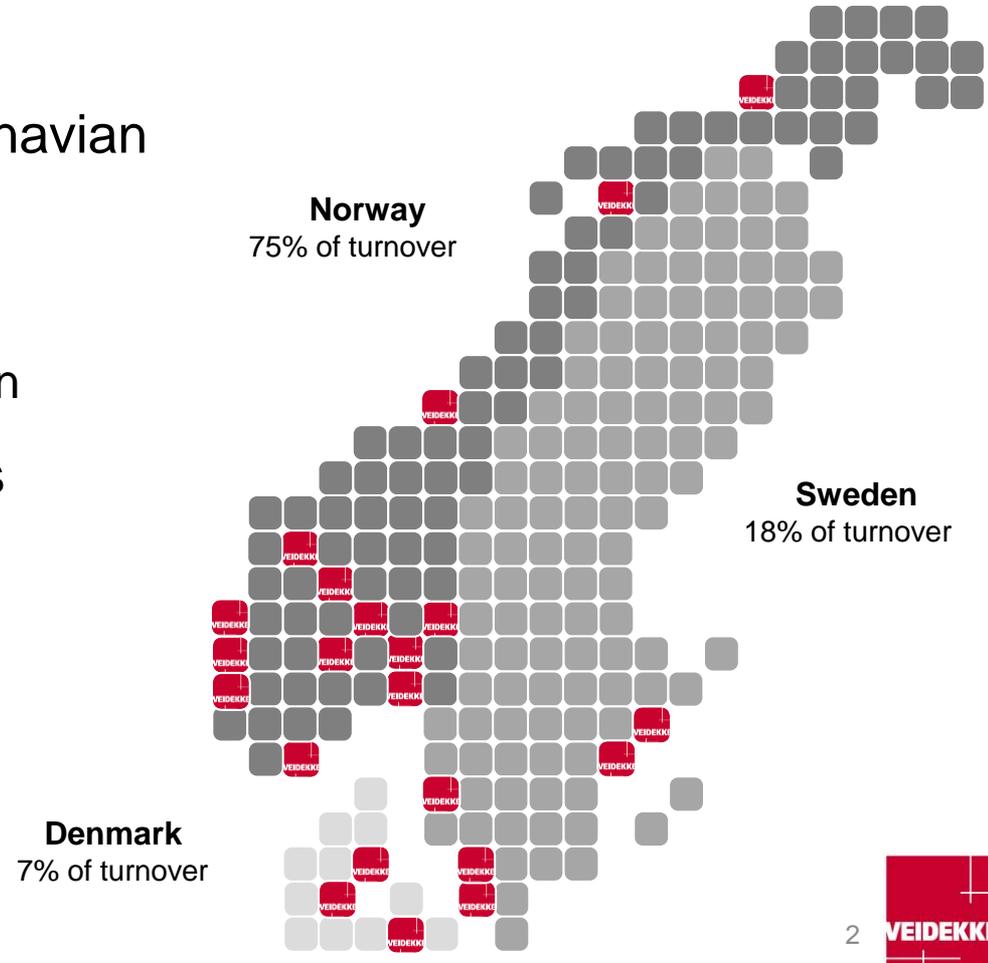
Copenhagen, 8 January 2013

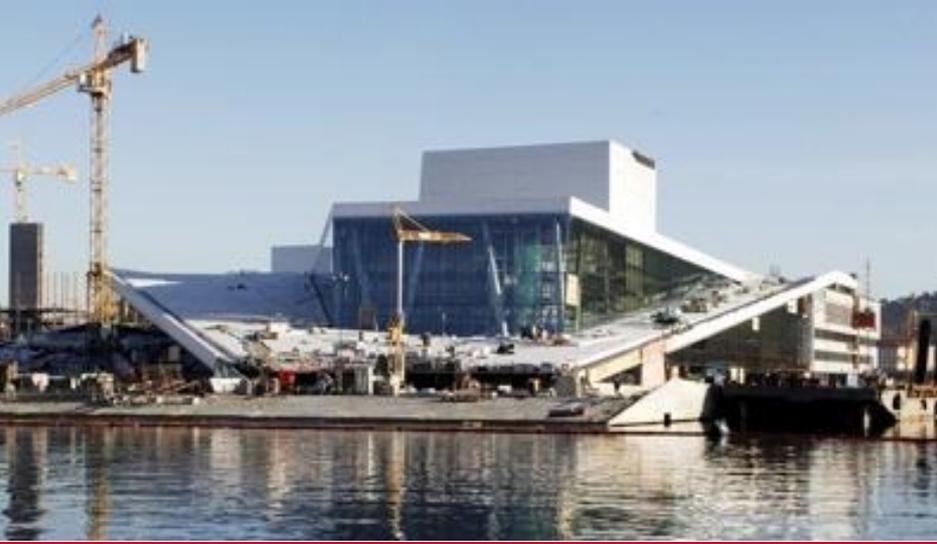
Jørgen Wiese Porsmyr, CFO

Jørgen Michelet, Vice President, Head of Finance/Investor Relations

Construction and property development

- A large potential in the Scandinavian market (BNOK 350)
 - Leading position in Norway
 - Promising positions in Sweden
- 6,400 highly skilled colleagues
- BNOK 20 in annual turnover
- 76 years without loss



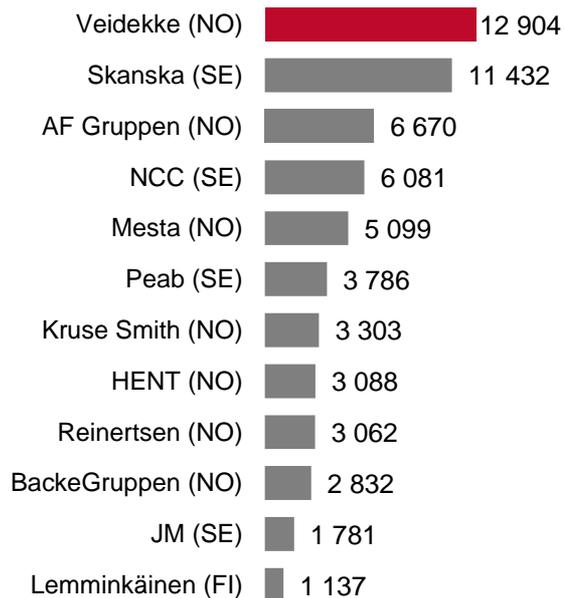


Non-residential 35% | **20% Housing** (50/50 third parties/own account)
Heavy construction 30% | **15% Asphalt, Road maintenance, Aggregates**

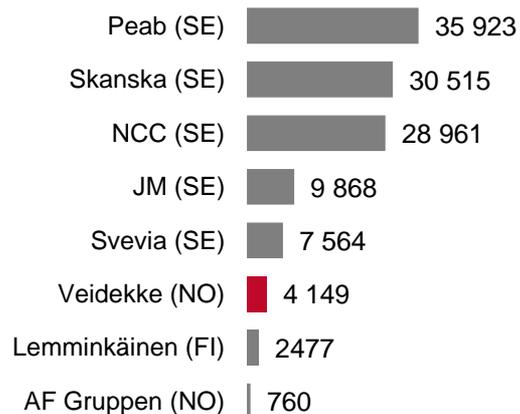


Solid position in local markets

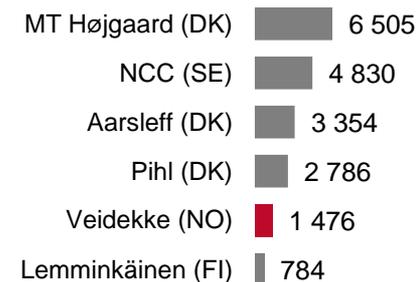
Norway



Sweden



Denmark



Earnings – performance and targets

	2007-2011	Last 12 Months *	Targets	Parameter
Construction Norway	5.3%	2.1%	5%	Profit margin
Construction Sweden	1.5%	2.4%	5%	Profit margin
Construction Denmark	1.4%	4.1%	5%	Profit margin
Property Norway	10%	11%	15%	Return on invested capital
Property Sweden	19%	2%	15%	Return on invested capital
Industry	3.2%	2.4%	6,5%	Profit margin
Group	4.3%	3.0%	→7%	Profit margin

* Q3-2012

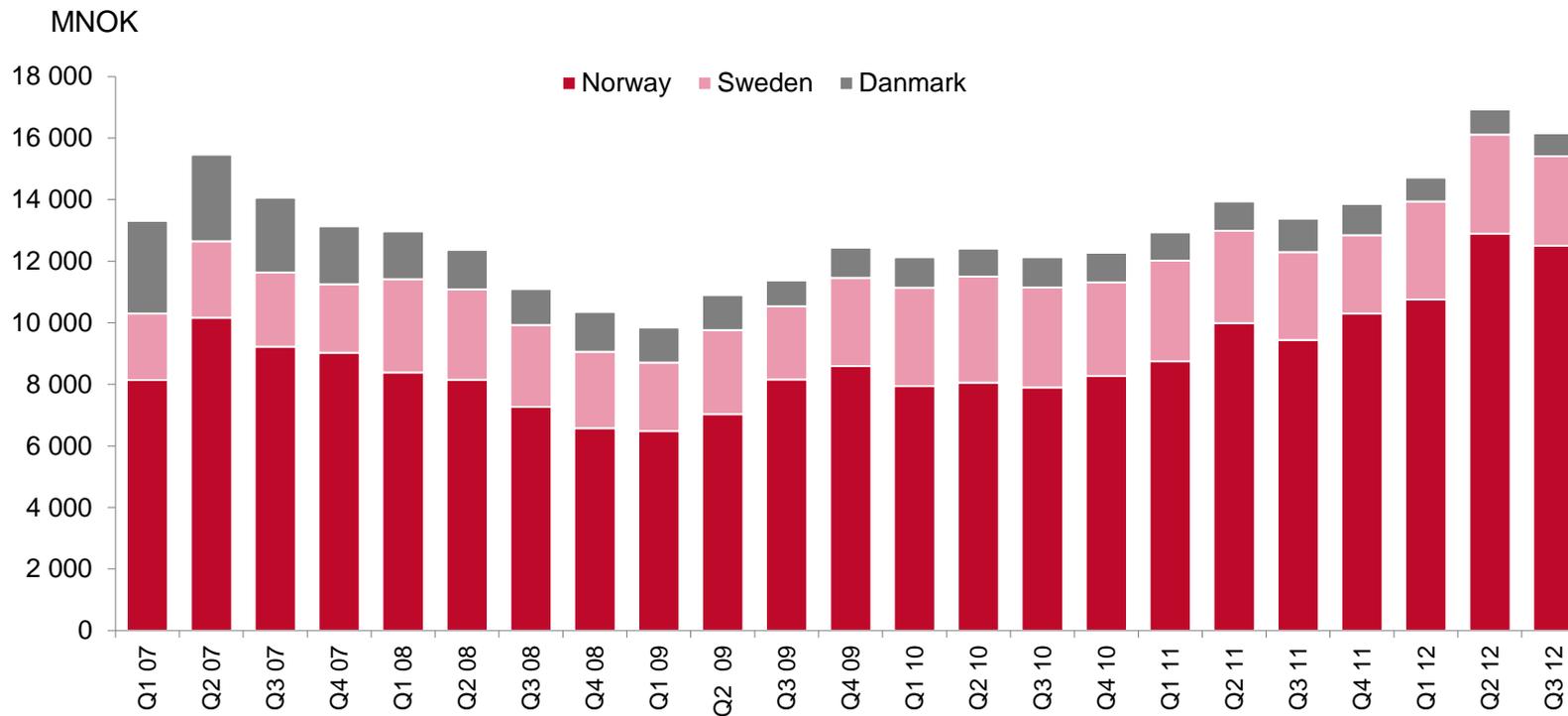
Business segments Q3 2012

Figures in MNOK	YTD 2012			YTD 2011		
	Operating rev.	EBT	Margin	Operating rev.	EBT	Margin
Construction Norway	8 454.0	177.8	2.1%	6 754.3	128.2	1.9%
Construction Sweden	2 485.7	61.4	2.5%	2 402.9	34.2	1.4%
Construction Denmark	980.3	31.1	3.2%	1 109.4	29.1	2.6%
Total Construction	11 920.0	270.3	2.3%	10 266.6	191.5	1.9%
Property Norway	999.5	125.6	12.6%	650.5	90.6	13.9%
Property Sweden	404.1	2.4	0.6%	417.6	169.1*	40.5%
Property Denmark	9.9	-4.3	-	0.5	-7.0	-
Total Property	1 413.5	123.7	8.8%	1 068.6	252.7	23.6%
Veidekke Industry	2 306.2	17.9	0.8%	2 056.5	156.0**	7.6%
Other	-750.5	-23.8	-	-632.6	-54.4	-
Total Group	14 889.2	388.1	2.6%	12 759.1	545.8	4.3%

* Including Bouwfonds transaction: 133 MNOK

** Including Veidekke Gjenvinning: 124 MNOK

Order backlog

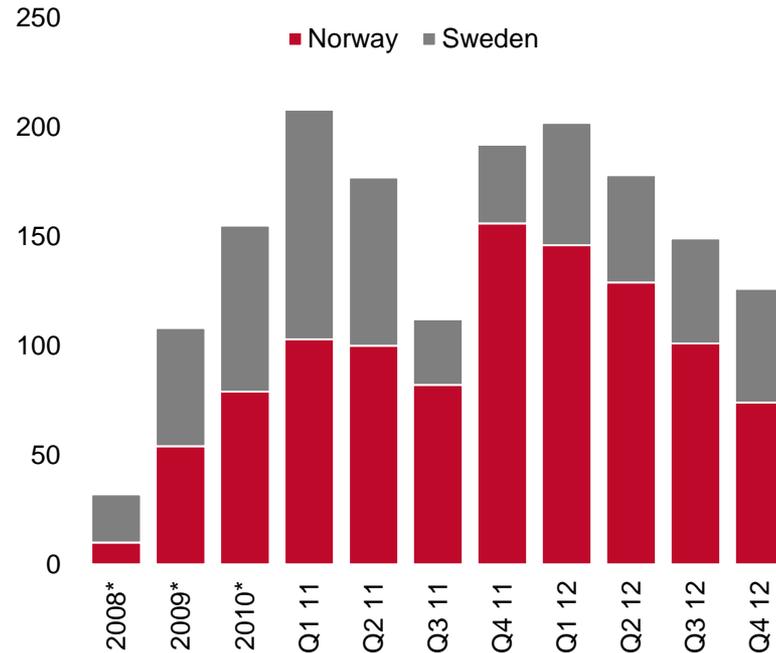


Since Q4 2011, the order backlog for Industry (asphalt and road maintenance) has been included in the figures for Norway. For Q3 2012, it amounts to MNOK 1 534.

Housing sales – quarterly trend

Housing sales (Veidekke's share)

Number of units



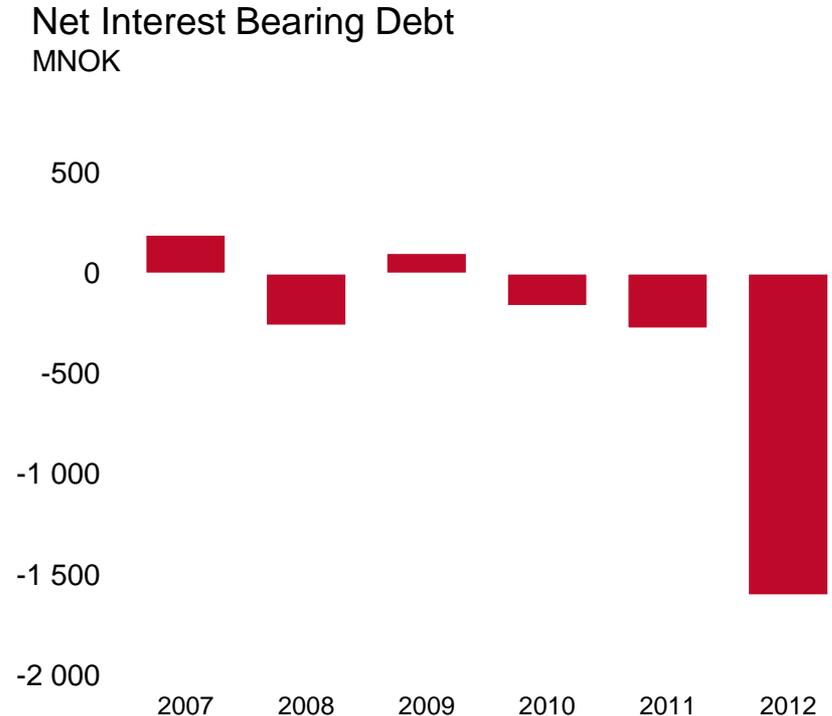
*Average by quarter



Sädesärilen, Östermalm

Financial strategy – net debt

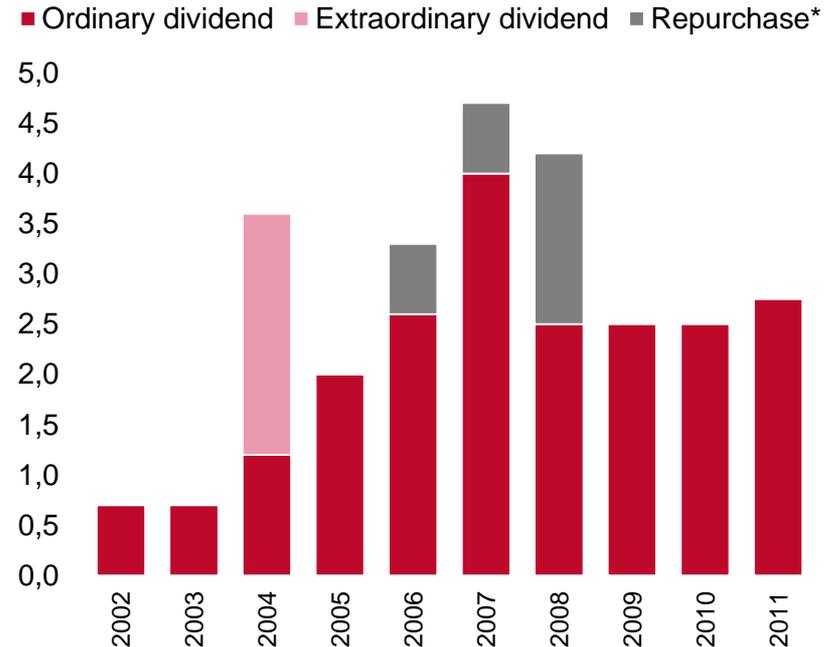
- Net interest bearing debt at year End 2012 estimated at NOK 1.6 Billion
- Capital investments in 2012;
 - Property Development; 700 MNOK in on going projects and land bank
 - Construction/Industry; 200 MNOK in acquisitions and expansion
- Credit facility with DNB of NOK 3.1 Billion
 - Maturity November 2015



Financial strategy – dividend

- Dividend policy: minimum 50% of EPS
- Since 2002 – repaid NOK 21.5 per share
- Dividend paid in 2012: 368 MNOK

Dividends paid and repurchases
NOK per share

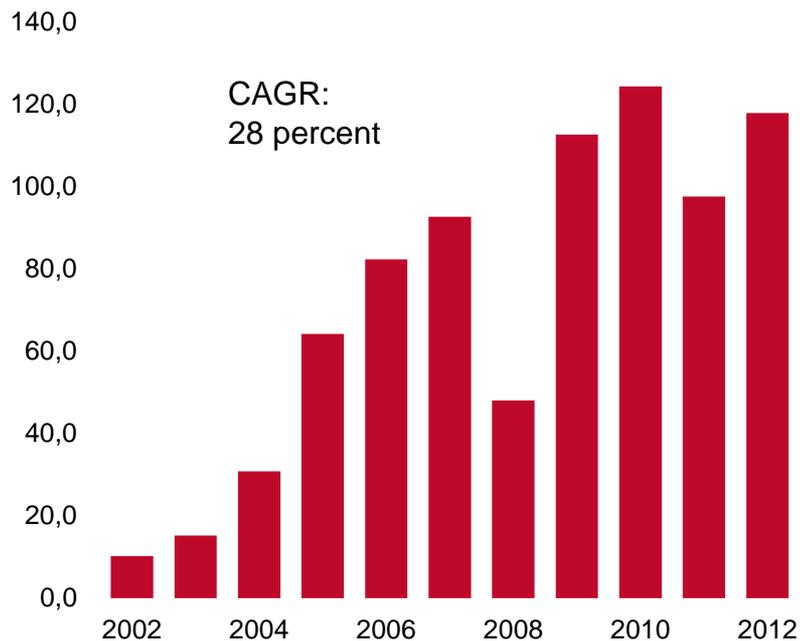


*NOK/outstanding shares

Returning value to our shareholders

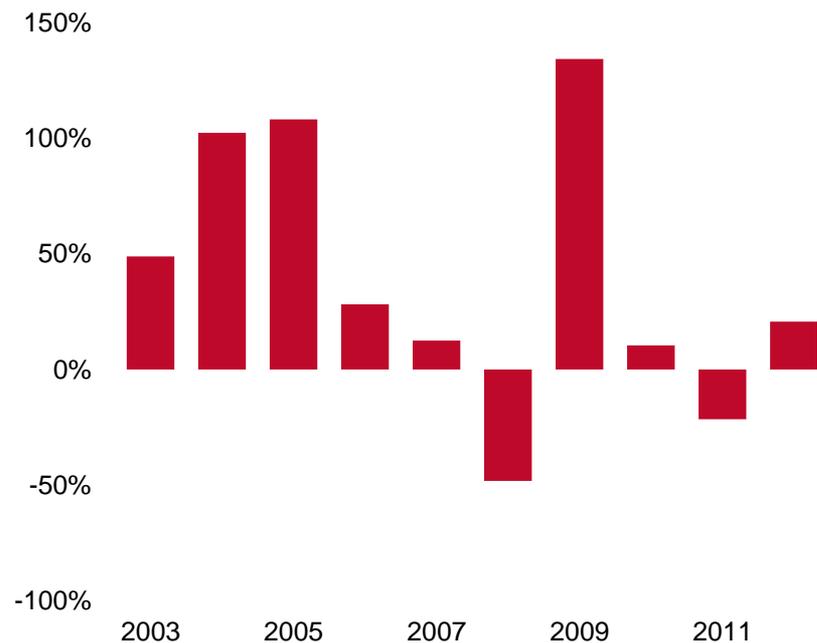
Value calculator (starting with 1 share)

NOK



Shareholder return

Percent



We Have a Clear Strategy

- + Accident free
- + Competent
- + Inclusive
- + Market opportunities
- = **Good and profitable growth**



10-15 per cent
Annual Growth

Profit margin
towards
7 per cent

Market growth
Higher market share
Selective acquisitions

Good operations
Increased collaboration
Good customer solutions



The road ahead

Strong Scandinavian business model

- Profitability focus
- Sustainable risk management
 - Strong focus on project selection
- Close customer interaction
 - 75% of private contracts on negotiated basis
- Employee involvement
 - Involvement and better planning creates higher motivation and better productivity
- Employees as shareholders
 - 50% of employees own 20% of the company

Experienced and competent

6,400 employees

- 3,800 skilled workers
- 2,600 salaried employees

Employee involvement crucial for
planning and motivation

Continuous improvement processes

Strong commitment to company



Involving customers and suppliers

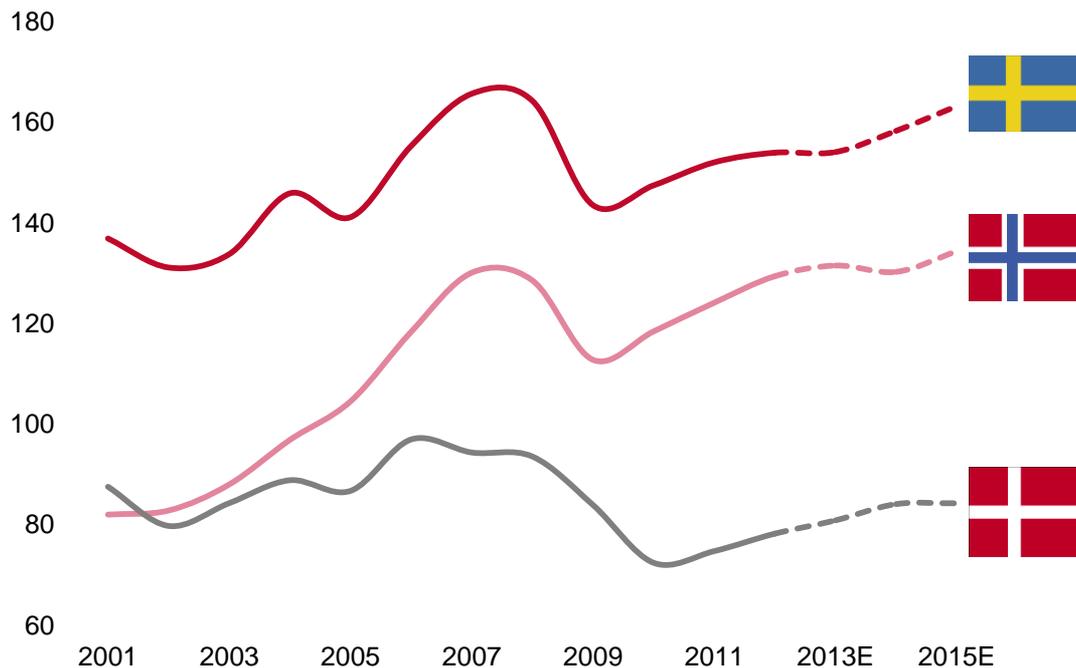
- + Better solutions
- + Higher quality
- + Secure progress
- + Improved capacity utilisation
- = Win-win for all parties



Market outlook 2013 – Scandinavia

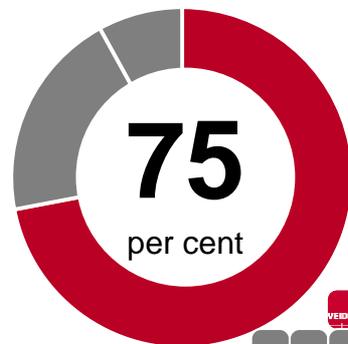
- **Norway:** Continued growth and high activity
- **Sweden:** Market is flattening out at a high level
- **Denmark:** Activity level still slow

Building and Construction Market
Fixed prices (BNOK)

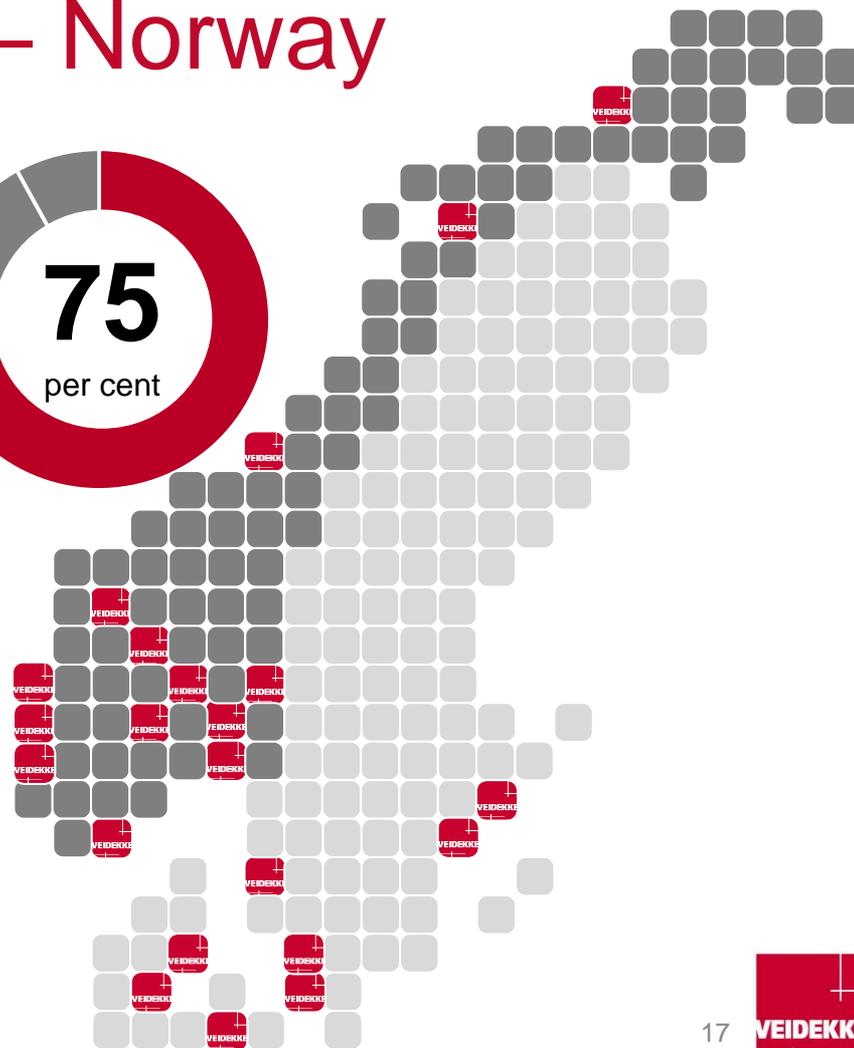


Market outlook 2013 – Norway

- + Continued growth and high activity
- + Strong growth in housing
- + Strong growth in infrastructure
- + Non-residential buildings slightly up

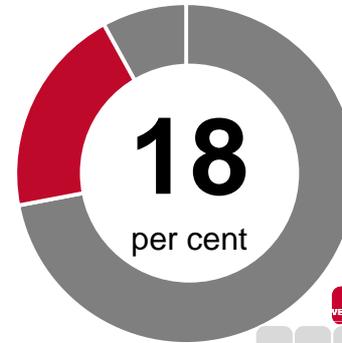


BNOK	Market	Growth 2013
Housing	42	4%
Private non-residential	27	4%
Public non-residential	22	2%
Heavy construction	50	7%
Accessible market	141	4%

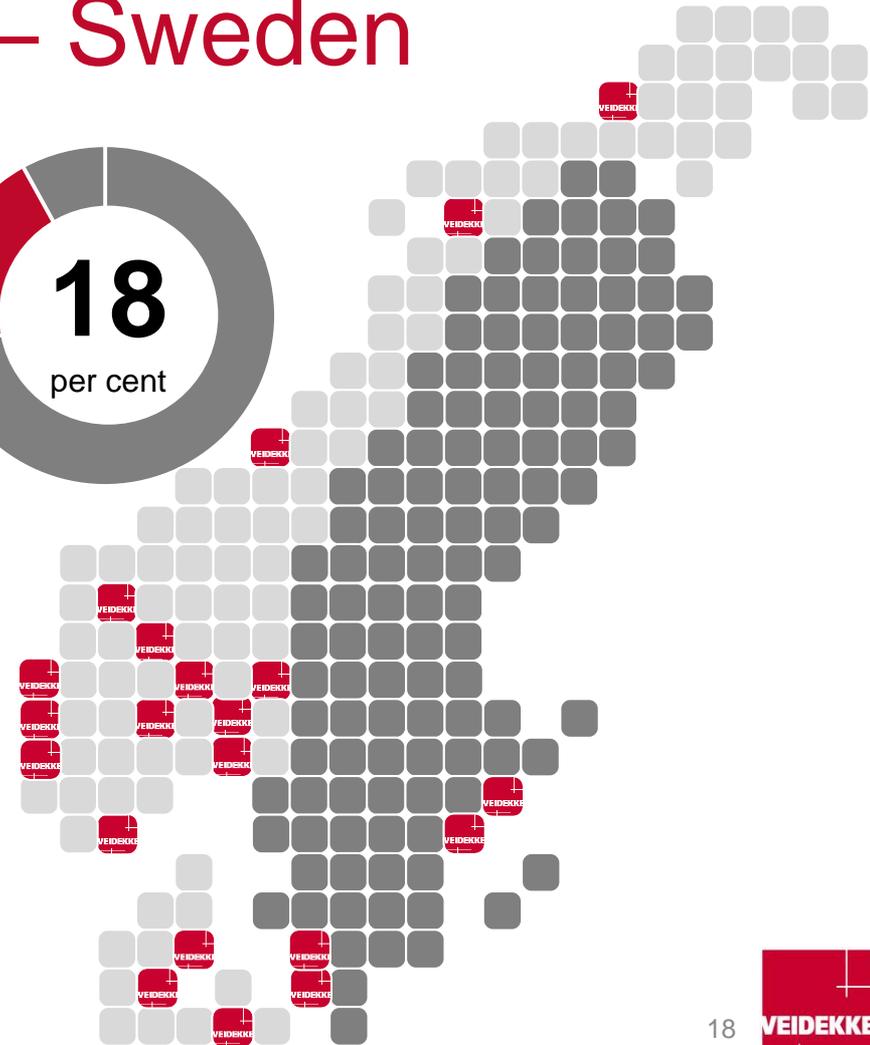


Market outlook 2013 – Sweden

- + Affected by international economy
- + Housing still weak
- + High activity in infrastructure, some projects postponed
- + Slight increase in non-residential building due to public investments



BSEK	Market	Growth 2013
Housing	40	2%
Private non-residential	34	1%
Public non-residential	36	0%
Heavy construction	73	-1%
Accessible market	183	0%



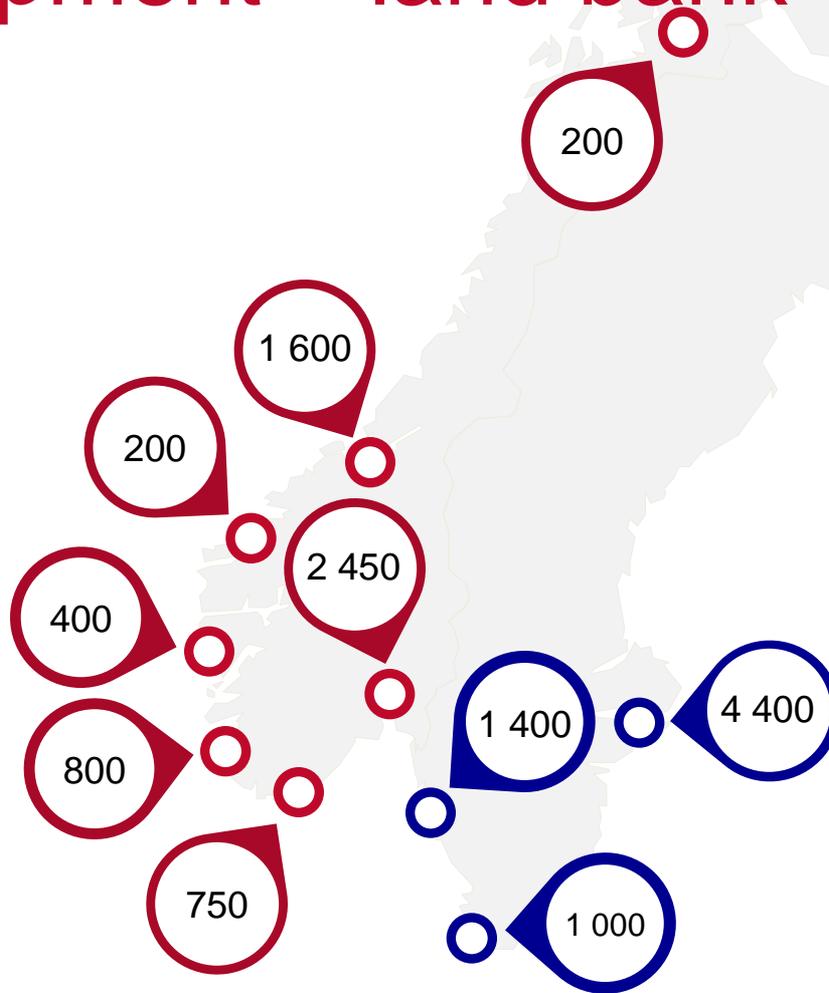
Construction – good opportunities



- Significant organic growth opportunities
 - Large projects in and around large cities
 - Further development of market positions
 - Increased project development and cooperation with Property
- Selective acquisitions
 - Market positions and new competence
- Profitability leader in Denmark – “The solutions-oriented partner”

Property development – land bank

- Totalling 13 200 units
 - Veidekke's share 10 600
- In Norway:
 - 6 400 units
 - Veidekke's share 4 000
- In Sweden
 - 6 800 units
 - Veidekke's share 6 600
 - 70% options
- Book value land bank:
NOK 2.0 Billion



Equal needs, different markets



Ownership (blocks of flats)	1/2 housing cooperatives, 1/2 rental flats
Land ownership	Owned by municipalities, institutions and private individuals
Housing policy	A more politically governed market; a special Minister of Housing
Public control	Regulated by special allocations of land and zoning
Regulation risks	Not much risk on the developer's part
Price mechanisms	Payment by regulation, but options more common
Market composition	Few and generally large market players
Taxes	Few incentives

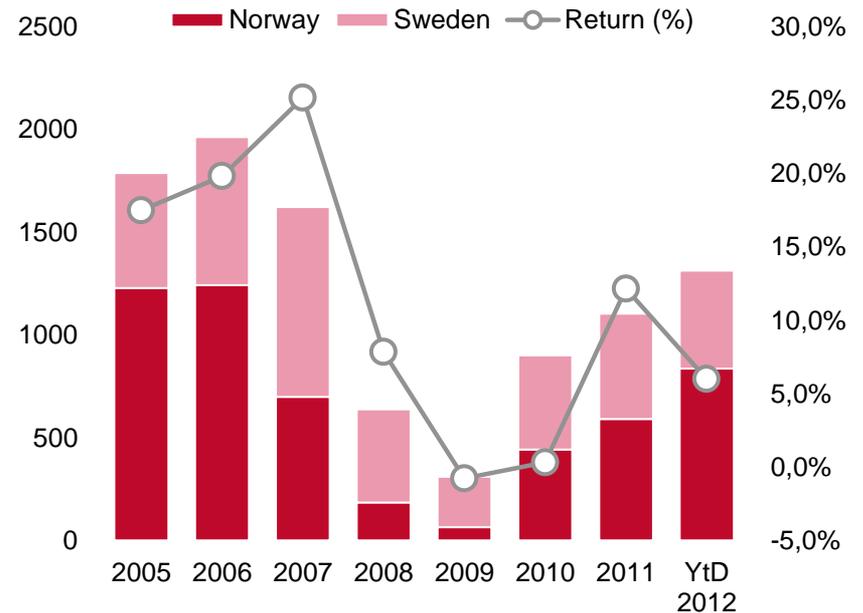


Mainly freeholders (including housing cooperatives)
Mostly private ownership
No single governmental body is responsible for the housing market
Controlled through zoning
The risk is almost always on the developer's part
Payment up front, open price formation
Fragmented; a large number of minor market players
Numerous incentives

Property development – priorities

- Increase production level and earnings
- Further development of land bank for production after 2015
- Development of new customer and product concept

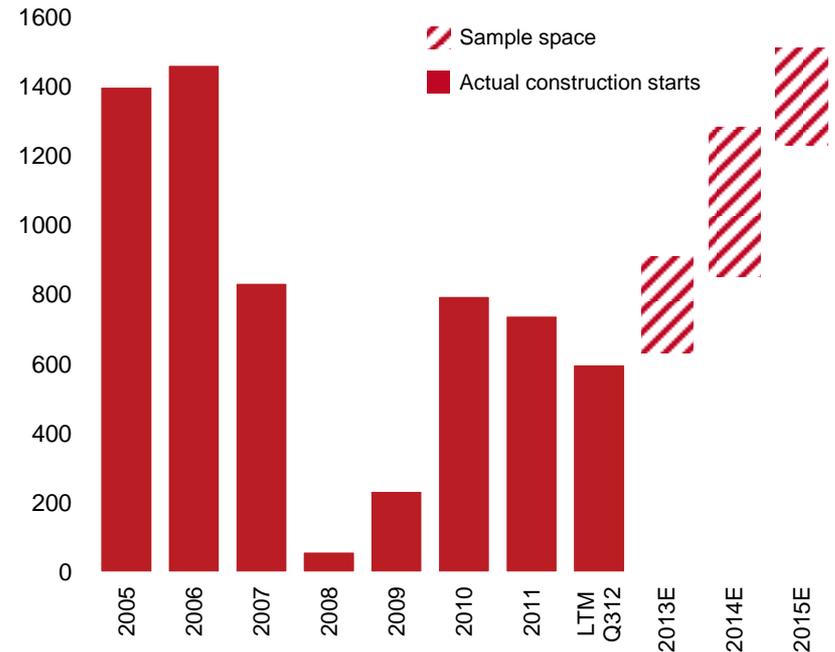
Units under production and return on capital invested
Number of units and percentage



Property development – road ahead

- Construction starts depend on:
 - Quality of land bank (location)
 - Project development
 - Public zoning
 - A well functioning market
 - 50% presale required
- Main scenario:
 - Increased activity in Norway, but more partnership projects will lead to lower increase in net construction start-ups
 - Increased activity in Sweden when the market improves

Construction starts
Number of units



Veidekke in 2012

INJURY-FREE VEIDEKKE

- The Group's most comprehensive HSE strategy implemented

- Still behind our ambitions, but our efforts are paying off

COMPETENT ORGANISATION

- Number of employees increased by 300
- Number of trainees at an all-time high
- From 175 to 204 apprentices in Norway

- Some market adaptations of the organisation in Denmark

SELECTED AQUISITIONS

- Four smaller acquisitions made in 2012
- Total turnover of MNOK 400

- Many acquisition candidates in the market

MARKET OPPORTUNITIES

- Norwegian market showing strength
- Increasing number of major projects
- Increasing order backlog for construction operations

- Housing market still weak in Sweden

Veidekke in 2012

GROWTH

- 17% growth in turnover in 2012 (Q3)
- Growth mainly in Norway

- Slower growth in Sweden, especially in housing segment

MARGIN

- Good margin development in building operations and property development in Norway
- Construction operations in Sweden and Denmark in step with plans

- Margins too low in heavy construction operations in Norway and in asphalt operations

Through engaged and enthusiastic employees, we

- execute profitable projects for our customers
- resulting in increased value for our shareholders



